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# ***Daily Report***

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## **China**

**FBIS-CHI-90-066  
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# Daily Report

## China

FBIS-CHI-90-066

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5 April 1990

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## General

### Qian Qichen Interviewed on Chai Ling Issue

HK0504032590 Hong Kong WEN WEI PO in Chinese  
5 Apr 90 p 1

[Report From Beijing on 4 April by WEN WEI PO Reporter Group: "Qian Qichen Says France Should Not Take in Chai Ling"]

[Text] When running into reporters outside the Great Hall before attending a session of the National People's Congress today, Foreign Minister Qian Qichen answered the reporters' questions on Chai Ling fleeing abroad. The question-answer session was as follows:

Question: Do you think France should take in Chai Ling?

Answer: Of course, it should not.

Question: Can Chai Ling and others play any role?

Answer: They cannot play any role after a certain period of time.

### Development Symposium Opens in Shanghai

OW0504033990 Beijing XINHUA in English  
1534 GMT 4 Apr 90

[Text] Shanghai, April 4 (XINHUA)—An international symposium on the promotion of economy by science and technology opened in Shanghai today.

This is the first international meeting on soft science held in China. More than 100 experts and scholars from China, the United States, Canada, Japan, Britain, and Hong Kong are attending the symposium. They will present over 120 papers on international scientific and technological cooperation, the development of manpower resources, technology transfer, and inter-regional trade.

The discussions will center on how to rely on science and technology to promote coordinated economic and social development.

The participants will exchange views on industrial cooperation between the Chinese mainland and Hong Kong, application of new technology in Shanghai's Pudong development zone and the role of technological progress in Shanghai's foreign-funded enterprises.

Sha Ling, deputy director of the Shanghai Municipal Committee of Science and Technology, gave an account of Shanghai's efforts in these areas.

Sha said that in the past ten years, 24 billion yuan (about 5 billion U.S. dollars) was spent on technological transfer and reform in Shanghai's industrial enterprises. That was more than 4 times the total spent between 1949 and 1979.

### Further on Inter-Parliamentary Union Conference

#### Wu Jieping Speaks on Anti-Drug Aid

OW0304231990 Beijing XINHUA in English  
1518 GMT 3 Apr 90

[Text] Nicosia, April 3 (XINHUA)—China has actively advocated international cooperation in fighting illicit

drugs and has made its own efforts to this end, a senior Chinese official said here today.

Addressing the plenary session of the 83rd Conference of the Inter-Parliamentary Union (IPU), Wu Jieping, delegate of China's National People's Congress (NPC), said illicit drugs have become an international hazard seriously threatening human health and social tranquility.

He said that in the 1980s more than 100,000 people died of drug addiction and there are some 5 million drug injection addicts worldwide.

Wu said the Chinese Government attaches importance to legislation relating to drugs and drug traffickers.

China has also introduced "comprehensive control" by asking all social sectors to be mobilized and organized to combat illicit drug abuse and trafficking, Wu said.

He said China also calls for strengthening international anti-drug cooperation.

Drug control is a responsibility shared by all countries in the world, and the Chinese National People's Congress is ready to join the parliaments of other countries in an endeavor to create a drug-free world and to make due contribution to human civilization and social progress, Wu said.

The IPU conference was opened Monday for a week's discussions on issues of drugs and ways to combat drug trafficking, employment and vocational training.

Participants from 93 countries are expected to approve a resolution Saturday to show their determination to fight the scourge of drugs.

### Zhang Ruiying on Employment, Training

OW0504035390 Beijing XINHUA in English  
1519 GMT 4 Apr 90

[Text] Nicosia, April 4 (XINHUA)—China will make efforts to tackle the issue of employment and vocational training by improving employment conditions and providing as many jobs as possible, a Chinese legislator said here today.

Speaking in the plenary session of the 83rd conference of the Inter-Parliamentary Union (IPU), Zhang Ruiying, delegate of China's National People's Congress (NPC), said China has adopted a series of policies to revive its economy, boost production and create more job opportunities.

As a result, an additional 78 million people have been employed in cities and towns throughout China over the past decade, she said.

Zhang stressed that since the introduction of the reform and open-door policy in 1979, China has registered a marked development in its social productive forces.

On the issue of vocational training, Zhang said China has advocated the principle of raising employment quality and promoting employment through training.

At present, China has 2,957 polytechnic schools, 3,996 technical schools, 4,503 vocational schools in urban areas and 1,810 employment training centers.



The Chinese deputy said that an effective solution to the question of unemployment and vocational training for a sustained development and social justice calls for both independent efforts by each individual country as well as an appropriate international economic order.

Heavy foreign debt burden, trade protectionism and unfair prices of primary products have severely aggravated unemployment in many developing countries and impeded their economic development, she said.

The week-long IPU conference, which began Monday, started debate today on the subject of "employment, vocational training and new technologies and their relevance to promoting sustainable development [words indistinct] justice." More than 70 delegates spoke at today's session.

Some 400 parliamentarians from more than 90 countries and observers from the United Nations and other international organizations are attending the IPU conference which also deals with the issue of drugs and ways to combat drug trafficking.

### Sub-Saharan Africa

#### Trade Delegation Ends Visit to Ivory Coast

OW0404150190 Beijing XINHUA Domestic Service  
in Chinese 0419 GMT 29 Mar 90

[Text] Abidjan, 28 Mar (XINHUA)—A delegation of the All-China Federation of Trade Unions, led by Wang Houde, its vice president, left here for the Congo today after winding up an eight-day official goodwill visit to the Ivory Coast.

Albert Vanie-Bi-Tra, labor minister of the Ivory Coast, received the Chinese delegation during their visit. The Chinese delegation also had a work meeting with the Workers Federation of the Ivory Coast. Both sides exchanged views on such issues as friendly cooperation between the trade unions of the two countries and other issues.

The delegation arrived here on 21 March.

### West Europe

#### Zhu Liang Meets French Communists, Socialists

OW0404101090 Beijing XINHUA in English  
0953 GMT 4 Apr 90

[Text] Paris, April 3 (XINHUA)—A leading official of China's Communist Party is in France to meet with French Communist and Socialist Party officials.

Zhu Liang, minister of the Central International Liaison Department of the Communist Party of China (CPC),

has met over the last two days with leading members of the French Communist Party (FCP) and the French Socialist Party (SP).

During a meeting with Maxime Gremetz, a FCP Political Bureau member, and Pierre Guidoni, a SP Executive Bureau member, the two sides exchanged views on the current international situation and studied possibilities for improving relations between the Chinese and French parties and the two peoples.

They agreed that the present world situation demands that the two countries and the political parties strengthen their cooperative relations, because it is not only in the interest of the two peoples but also contributes to world peace.

Zhu, who is on a stopover in Paris after an African tour last week, stressed the principle of non-interference in each other's internal affairs and of seeking common ground while reserving differences in dealing with other nations and parties.

Zhu leaves for home on Wednesday.

### East Europe

#### New SFRY Ambassador Meets Yang Shangkun

OW0404143090 Beijing XINHUA in English  
0920 GMT 4 Apr 90

[Text] Beijing, April 4 (XINHUA)—The newly-appointed Yugoslav Ambassador to China Ilija Djukic presented credentials to Chinese President Yang Shangkun here today.

Djukic arrived here March 30.

### Latin America & Caribbean

#### Guan Guangfu Delegation Visits Chile

OW0304044590 Beijing XINHUA in English  
0121 GMT 3 Apr 90

[Text] Santiago, April 2 (XINHUA)—A delegation from the Chinese Association for International Understanding (CAIU) arrived here late Sunday for a goodwill visit at the invitation of Chile's Christian Democratic (DC) Party.

The delegation headed by Guan Guangfu, a member of the Chinese Communist Party's (PCC) [acronym, used by Communist Party of Chile, as received] Central Committee and the CAIU's board of directors, was received by the DC's director of international relations, Roberto Cifuentes, at Santiago's international airport.

During its stay in Chile, the Chinese delegation will meet with leaders of the South American country's political parties to exchange ideas and points of view on topics of mutual interest. The delegation also plans to visit copper mines and agricultural projects.

After the delegation's one-week visit to Chile, it will leave for Argentina.

## Political & Social

### Further Reportage on Seventh NPC Session

#### Anti-Graft Measures Formulated

HK0104084290 Hong Kong WEN WEI PO in Chinese  
23 Mar 90 p 1

[Report by WEN WEI PO reporter group: "CPC Formulates a Series of Strict Measures to Strengthen Building of Clean Government and Eliminate Corruption"]

[Text] Beijing, 22 Mar (WEN WEI PO)—Some delegates attending the current sessions of the National People's Congress [NPC] and the Chinese People Political Consultative Conference [CPPCC] National Committee revealed that top CPC leaders frankly told them recently during an unofficial discussion meeting that the CPC had already formulated a series of strict and stern measures, including enactment of some laws, ordinances, and regulations, to ensure that the formulation and implementation of policies would truly conform with the people's interests, to step up development of clean and honest government, and to fight corruption.

These delegates revealed that the above measures are divided into several major categories. Their main content is as follows:

To ensure that the formulation and implementation of policies will truly conform with the people's interests, the CPC has clearly defined three principles:

(1) Before any policies and measures are formulated, any working plans are drawn up, and any major decisions are made, it is necessary to extensively solicit opinions from all circles and make repeated comparisons, verifications, and feasibility studies. Some major policies must be tested through pilot projects before they are officially implemented. (2) It is necessary to truly implement the principle of democratic centralism. From now on, the decision on every major issue must be put to a vote. An individual may have reservations, but he must unconditionally submit to the decision adopted by the collective. (3) When a policy is adopted, all leading organs concerned must take the lead in implementing it, and the practice of each organ acting on its own is not tolerated. Once a major policy or principle is laid down in the form of law, it will become a will of the state, and all the leading cadres of the party must take the lead in implementing it.

To ensure that cadres will immerse themselves among the masses and maintain close ties with the masses, four principles are defined: (1) The fine tradition that party and government cadres stay at a selected grass-roots unit to help improve its work and gain firsthand experience for guiding overall work will be restored. (2) Organs at and above the county level must organize cadres on service to conduct special surveys and let them go down to grass-root units to work for some time while keeping their posts at their original organs. The duration of stay

at the grass-roots level for cadres at different levels will be determined by local authorities on their own. Cadres are now required to go to areas with many problems rather than simply to areas where the life is hard. (3) Those who go down to the grass-roots level must stress efficiency and results and do away with formalism. Any problems that are found in surveys at the grass-roots level must be truly reported to the upper level and no cheating is tolerated. No cadre staying at grass-roots units is allowed to attend banquets or to travel at public expense. (4) Any leading cadres who have inflicted heavy losses on the public because of serious divorce from the masses will be removed from their posts immediately and be subject to disciplinary action, instead of being transferred to another place to hold another leading post as commonly practiced in the past.

With regard to developing clean and honest government and overcoming corruption, the CPC emphasizes that the vast majority of its members are honest and diligent in performing official duties. But a few party members have been found in serious corruption cases. If this tendency is allowed to spread unchecked, it may destroy the party. The plenary session [as published] demands that the following seven measures be implemented in real earnest in the next two years: (1) It is necessary to accomplish several tasks of public concern by a fixed deadline. (2) It is necessary to render assistance to the party and the government's supervisory organs in supervising leading cadres. Anyone who is found having violated party and government discipline must be punished according to the law. (3) The results of investigations into major and important cases, especially those which have aroused strong grievances among the masses, must be made known to the public. (4) Organizations running public facilities, as well as political and legal departments, must quickly curb any evil practice involving their own staff. They must make known to the public their operational procedures and the results of cases that have been handled. (5) Promotion and appointment of cadres must follow the established principles and procedures. Anyone who practices favoritism in violation of the principles and procedures shall be held responsible for his acts. (6) It is necessary to gradually establish an anti-favoritism system for cadres and a rotational leadership system for principle leading cadres, so as to eradicate the root causes of mountain-stronghold mentality. (7) By the end of this year, all provinces, municipalities directly under the central government, autonomous regions, ministries, and commissions must submit to the central authorities a special report on their efforts to fight corruption.

In order to step up reform of the political structure and enhance communication between the party and the people, the following six principles must be implemented: (1) The NPC system is the state's fundamental system. NPC deputies with party affiliation should closely keep in touch with NPC deputies who are not CPC members. (2) It is necessary to strengthen the political consultative system. When dealing with a major

issue, it is necessary to consult, sincerely and thoroughly, with personages with no party affiliation and members of democratic parties. (3) It is necessary to give full play to the role of trade unions, Communist Youth League organizations, and women's federations as a bridge. (4) Great efforts should be made to explore new forms for closing ties with the masses. (5) It is necessary to encourage the masses to speak the truth. Any question raised by the masses should be attended to as soon as possible and a prompt reply should be made if the masses' request cannot be fulfilled for the time being. Nobody is allowed to suppress criticism and retaliate against those who criticize. (6) Party members should make friends with those who dare to speak the truth.

With a view to strengthening supervision over leading cadres at all levels, three suggestions were made: (1) It is suggested that the NPC Standing Committee draw up supervisory laws to exercise supervision over NPC operation and legal supervision. (2) It is suggested that the State Council draw up some laws and ordinances on supervision. (3) It is suggested that the CPC Central Discipline Inspection Commission draw up some rules and regulations on supervision. At the same time, it is necessary to constantly perfect the existing system of democratic assessment of cadres.

The central authorities, as well as provincial, municipal, and autonomous regional authorities, may send out some inspection groups on missions and vest them with some powers. Such inspection groups can report directly to the central authorities whatever cases they have found.

It is emphasized that the supervisory function of the mass media should be brought into full play as well.

### Beijing Deputies on Corruption

OW2303164690 Beijing XINHUA in English  
1433 GMT 23 Mar 90

[Text] Beijing, March 23 (XINHUA)—Deputies to the National People's Congress (NPC) from Beijing focused their panel discussion today on anti-corruption, a major issue of common concern in the country.

Premier Li Peng joined the discussion, and aired his views on some questions.

Chen Xiaoda, a deputy and secretary of the Communist Party Committee of the Beijing administration of railways, expressed his satisfaction at the premier's government work report, which devotes much attention to the fight against corruption and the building of a clean and honest government.

People in grassroots units are now most concerned about the fight against corruption and the effort to build a clean and honest government, he said.

Therefore, he added, it is highly necessary to enhance the supervision mechanism.

"Without authorized power, supervision departments cannot work effectively; without effective supervision, corruption is bound to arise," he said.

He suggested that the existing supervision organs be given greater power in overseeing governments at the corresponding level so that the anti-corruption drive can be carried out more effectively.

Luo Yifeng, another deputy and senior engineer at the Beijing synthetic fiber experimental plant, said that the law and discipline should be strictly enforced in screening companies.

Luo had joined the group in charge of screening and rectifying companies under the State Council and interviewed over 600 Beijing residents before attending the current NPC session.

He said that the screening drive had made some progress last year—an initial screening of commercial companies had been made, senior officials and their children who held posts in companies had quit, some companies had been disbanded or merged, and 90,000 cases of economic crime had been dealt with.

But he noted that the screening drive still meets with difficulties and obstructions.

"Any people, especially senior officials, should be banned from interceding for offenders or intervening in the handling of economic cases," he said, "those who commit such offences should be seriously dealt with."

The people should be informed of the handling of major cases of common concern, he added.

Premier Li Peng nodded his agreement with the two deputies and took notes of what they said.

During the discussion, Yan Renying and Hu Yamei, both medical experts, talked about family planning and raising the quality of the population. They suggested that the government allocate more funds to public health service.

### Deputy on Scientific Cooperation

OW2403075490 Beijing XINHUA in English  
0645 GMT 24 Mar 90

[Text] Beijing, March 24 (XINHUA)—China plans to formulate a number of regulations governing scientific and technological cooperation and exchanges with foreign countries and other activities in science and technology in the next few years.

Seven such regulations are on the agenda of the Education, Science, Culture and Public Health Committee under the National People's Congress (NPC) and the State Science and Technology Commission.

These cover scientific and technologic cooperation and exchanges with foreign countries, scientific and technologic research, awards to scientific and technologic



results, scientific and technologic advancement, basic guidelines for science and technology, scientific and technologic foundations, and nuclear energy.

Commenting on this work here today, Yang Jike, vice-chairman of the Central Committee of the China Zhi Gong Dang (or Party for Public Interests) and a deputy to the Third Annual Session of the NPC, said the government work report delivered by Premier Li Peng puts science, technology, and education at the third place among the ten major tasks for this year after agriculture and industry. "This is practical and of foresight," he said.

Yang took part in the revision of the draft of the government work report.

Professor Yang from the Chinese University of Science and Technology disclosed that regulations on technological contracts have been basically worked out, designed to protect commercialization of technologies and safeguard the order of technological market.

He said work should now be done to gradually formulate and enforce a number of laws and regulations on science and technology so as to make science and technology play a better role in the national economic construction.

He also suggested that an organizational law on institutions in charge of science and technology be formulated as soon as possible to define their nature, status, functions, rights, and duties and intensify scientific and technologic management.

Regarding legislation on hi-tech, Professor Yang ventured that regulations on information, biological, space and maritime technologies, and science cities and zones should be drawn up in the next ten years.

Without these, he warned that China would find it hard to enjoy an edge in fierce competition in the hi-tech sector in the coming century.

In view of the importance of legislation in the field of science and technology, Professor Yang proposed that a separate science and technology committee be set up under the National People's Congress to be in charge of this work.

#### Union Leader on Laid-Off Workers

OW2403094390 Beijing XINHUA in English  
0921 GMT 24 Mar 90

[Text] Beijing, March 24 (XINHUA)—Zhang Ruiying, vice-president of the All-China Federation of Trade Unions and a deputy to the National People's Congress (NPC), today suggested ways and means to help laid-off workers.

Joining NPC deputies from Jiangsu Province in a panel discussion on Premier Li Peng's government work report, Zhang made the following suggestions on the issue:

- Communist Party committees and governments at all levels should regard the problem of factories which have suspended or partially suspended production as a major issue affecting social stability, and do everything possible to tackle it.
- The state should provide funds for state-owned big and medium-sized enterprises which contribute 70 percent of the state revenues, as well as for small ones which employ 70 percent of the total workforce. Government at all levels should earmark special funds to enterprises in difficulty, helping them restart production. Financial departments and banks should lend a hand in resolving the overdue payments among enterprises.
- See to it that a minimum number of enterprises are closed down while most of them switch to the manufacture of new products or be incorporated into successful enterprises.
- The government and economic departments should support enterprises that have suspended or partially suspended production in exploring new ways of production, operation and services and developing new products.
- Provide laid-off workers (including the retired) with living expenses which, in the most difficult circumstances, must be up to the relief standard stipulated by local relief authorities. On the other hand, the income of enterprise executives should not be more than treble the workers' average income or be kept at a level acceptable to the staff.
- Laid-off workers should be organized to undergo technical training. The training for waiting-for-jobs young people should be prolonged. More labor centers should be set up to provide job information and guidance. Extra peasant laborers in the cities should return to their villages.

#### Yao Yilin Joins Anhui Panel

OW2403150090 Beijing XINHUA in English  
1440 GMT 24 Mar 90

[Text] Beijing, March 24 (XINHUA)—"I have been here to hear your criticisms and suggestions on the work of the government as a member of the State Council," Vice-Premier Yao Yilin told National People's Congress (NPC) deputies from Anhui Province during a panel discussion here today.

The panel discussion by Anhui deputies to the current NPC annual session was held in the hall named after the province in the Great Hall of the People.

Yao, a member of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee, is from Guichi County, Anhui Province, east China.

After hearing deputies' speeches, Yao said that the economic work this year as a whole is subject to the requirement of nationwide stability. The State Council alone will not be able to ensure economic stability, and to achieve this goal needs concerted efforts of party and

government officials at all levels and the people, including workers, peasants, and intellectuals, he said.

Yao said it is reasonable for deputies to ask for a rise in the price for coal as the present low price affects production of coal mines.

"But the State Council has decided that the price for coal will not be raised, instead financial subsidies will be offered, which amount to several billion yuan a year," he said. This decision is aimed at maintaining economic stability, for a rise in the price would raise enterprises' production costs and affect people's livelihood, he explained.

Conditions are not yet available for China to enter a stage of greater economic development, he noted, and the various measures related to this year's economic work listed in the report on the work of the government can be implemented only by relying on the efforts of the whole nation.

Yao spoke highly of the deputies' suggestions with regard to the construction of key projects, the development of mountainous areas, communications and energy as well as the harnessing of the Huaihe River. He promised that the suggestions would be incorporated into the 8th or 9th five-year plans of the country, and some specific suggestions and proposals by the deputies on economic development would be conveyed to the State Planning Commission.

Some deputies also made suggestions on the revision of the Government Work Report now under deliberation at the ongoing session.

#### **Enviro. ment Committee Proposed**

*OW2603071890 Beijing XINHUA in English  
0633 GMT 26 Mar 90*

[Text] Beijing, March 26 (XINHUA)—Thirty-five deputies to the Seventh National People's Congress (NPC) and 27 experts have proposed the formation of a resources and environment committee under the NPC to oversee better use of the country's resources and solution to the deteriorating environment.

The proposal is contained in a letter to the NPC Standing Committee and its Chairman Wan Li.

Among the signatories are Vice-President of the Chinese Academy of Sciences Sun Honglie, and noted scientists Ye Duzheng, Liu Dongsheng, Yang Jike, Ma Shijun and Pei Lisheng.

The letter says China's population density is three times the world average. But, the country's per-capita availability of cultivated land, water resources and forest is one-third, one-fourth and one-sixth of the world average respectively.

In terms of calculated value, the per-capita availability of the verified reserves of 45 minerals in China is less than half the world average, the letter notes.

The letter warns that by the 20s and 30s of the next century, utilization of China's agricultural resources will approach a critical level with its population estimated to surpass 1.5 billion.

Meanwhile, improper use, waste and destruction of resources can be found everywhere. Soil erosion, land desertification, degeneration of grassland, diminishing of forest resources and floods also reduce the quality of resources.

The letter writers therefore plead for better management and protection of resources and the environment.

They propose that a resources and environment committee be set up under the NPC to work out laws and regulations and step up supervision in this respect. The committee, if set up, can also promote coordinated and unified management by government departments with regard to the exploitation of major resources and improvement of the environment.

#### **Sichuan To Boost Agriculture**

*OW2603141790 Beijing XINHUA in English  
1335 GMT 26 Mar 90*

[Text] Beijing, March 26 (XINHUA)—Governor Zhang Haoruo of Sichuan Province announced here today that the provincial government will invest 630 million yuan in agricultural capital construction this year.

This figure, the biggest in the past decade, represents a 20 million yuan increase over 1989.

In an exclusive interview with XINHUA, Zhang said that his government will take effective measures to ensure the supply of chemical fertilizer, insecticides, plastic sheeting and farming machinery.

Meanwhile, prefectural and county authorities will also make more investment in agriculture.

Zhang is now in Beijing attending the ongoing annual session of the National People's Congress.

Sichuan, China's largest farming province, set a new record by producing 40.8 million tons of grain in 1989. This has enabled Sichuan, with its farmland accounting for less than one-sixteenth of China's total, to supply other areas with large quantities of cereals in addition to feeding its population of 106 million.

Sichuan ranks first in China in the production of grain, cotton, rapeseed, silkworm, orange and medicinal herbs.

Governor Zhang said the objective for 1990 is to produce one million tons more of grain than last year's, and to ensure a 3 percent increase in total agricultural output value.

To this end, 50,000 agrotechnicians will work among the peasants to promote scientific farming. More efforts will be concentrated on building or expanding irrigation projects and other farming infrastructure.

Zhang Haoruo said that Sichuan is taking new measures to arouse the peasant's enthusiasm for farming.

These include: pushing ahead the rural reform based on the household responsibility system, encouraging more peasants to take up specialized jobs, and raising the purchase price of some farm products.

### Shanghai Deputies Discuss Economic Issues

OW2603131690 Beijing XINHUA in English  
1301 GMT 26 Mar 90

[Text] Beijing, March 26 (XINHUA)—While improving the qualities of industrial enterprises, market demand must be expanded in a bid to increase the economic returns of these businesses.

This view is shared by several officials and factory directors from Shanghai, China's largest industrial center. They are now in Beijing attending the annual session of the National People's Congress (NPC).

They call for improving both macro and micro conditions before industrial enterprises are able to increase their economic performance.

In his government work report to the NPC session, Premier Li Peng pointed out that many contradictions existing now boil down to scanty economic returns of industrial enterprises. The NPC deputies from Shanghai said that the analysis reflects their city's reality.

One of the pillars of China's economy, Shanghai contributes one-tenth of the national industrial output value as well as state revenues.

Chen Xianglin, director of the Shanghai Municipal Planning Commission, said that China's industrial enterprises, by and large, still base their economic returns on quantities of their products. Therefore, he said, their economic performance cannot be improved without moderate growth of the output value and sales volume.

He agreed with government measures aimed at ameliorating the present contradictions such as relaxing the curb on the money supply, increasing loans and readjusting the prices of certain commodities.

Meanwhile, he said, the government should appropriately relax the control on institutional spending, increase investment on assets connected with technological transformation of enterprises and expand the market demand by increasing sales of commercial housing and gold and silver products.

On the part of the enterprises, the deputies emphasized readjustment of the product mix, technological progress and better management.

Mei Shouchun, director of the Shanghai Textile Industry Bureau, said that competition in the market, in the final analysis, is focused on the variety and quality of products. Therefore, enterprises must closely follow the

changes in the market and make prompt adjustments in production to meet the needs of the changing market.

Shanghai boasts more than 500 textile enterprises. Sixty percent of their products are exported. They earned nearly 1.3 billion U.S. dollars last year from exports.

Mei said that in basic management, the standardization of technology, operation and equipment is an important guarantee to higher rate of quality products and lower cost. If the management in this respect is tightened, he said, economic returns can be increased by five percent.

Shanghai's textile industry made a profit of 120 million yuan and registered a big increase in export in the first two months of this year while this industry in China's 12 other major cities lost money.

Yin Hao, an official of Shanghai's No. 3 Iron and Steel Works, shared similar views with Mei. He said that to most big and medium-sized enterprises, economic performance should be measured by quality and variety of their products rather than quantities.

The best way for enterprises to free themselves from the effects of a sluggish market is to develop readily salable products on the strength of modern technology, he said.

One-third of his factory's products are hard to sell at the moment. But Yin is confident that by adjusting the product mix and raising the quality of products, his factory can still increase both output value and profits by 15 percent this year.

### Subversion Amendment Considered

HK2603022590 Hong Kong HONGKONG STANDARD  
in English 26 Mar 90 p 1

[By Fan Cheuk-wan in Beijing]

[Text] Work on a proposed amendment of the counter-revolutionary clause in China's criminal law has slowed considerably in the wake of the June 4 crackdown.

The Commission of Legislative Affairs under the National People's Congress [NPC] Standing Committee has been considering over the past few years a proposal to replace the counter-revolutionary clause with a new one of "endangering the security of the state".

According to the original schedule, the commission should have proposed the amendment at the ongoing annual NPC session.

One of the purposes for the amendment move was to ease Hong Kong people's fear of losing their freedom of speech.

In an interview with THE HONGKONG STANDARD, Jiang Ping, vice-chairman of the Law Committee of the NPC and a member of the NPC Standing Committee, said: "The opinion of legal specialists reached a consensus last spring that the counterrevolutionary clause should be replaced by the new clause."



But views became split after last June's military crack-down and legal academics felt the clause was still needed given the existence of counterrevolutionary political forces in China, he said.

Mr Jiang said the Commission of Legislative Affairs had not submitted the amendment draft to the Law Committee of the NPC because of this.

"After the June 4 incident, there have been a number of counterrevolutionary cases being convicted which were cited as examples to prove the need for the clause," he said.

Professor Liang Huaren, of the Criminal Law Department, of the Chinese University of Political Science and Law, said the NPC Standing Committee had not raised the amendment proposal at its meetings since last summer.

However, Prof Liang, who is one of the advisers to the Commission of Legislative Affairs, said the commission had not stopped its study of the criminal law as a whole since the amendment would also involve other economic crimes.

Although both two legal specialists were not optimistic about the amendment succeeding, they said they still considered it necessary and practical. "Even though the class struggle is still existing in China, the clause of the crime of endangering the security of the state will be able to deal with subversive crimes and spying activities," Mr Jiang said.

He said legal experts were still for the amendment as they felt it was relevant given the introduction of the open door and reform policies.

#### Art, Literature Discussed

OW2703193490 Beijing XINHUA in English  
1606 GMT 27 Mar 90

[Text] Beijing, March 27 (XINHUA)—Some 60 writers and artists gathered here tonight to discuss ways and means to develop China's traditional art and culture.

They are also deputies to the National People's Congress (NPC) here attending the NPC annual session.

Acting Minister of Culture He Jingzhi called on artists to have closer ties with the people and work for them.

Hong Xianniu, noted actress of Guangdong Opera, said that if an artist does not get nourishment from the people, he or she can hardly be worthy of the title "engineer of human souls."

Emphasizing national culture, she said "we do not mean to reject foreign culture. But foreign culture must not be allowed to replace our own."

Music teacher Wang Yaohua from the Fujian Teachers University proposed that a law for protecting traditional culture be worked out. He also called for building a

museum to house data and materials of China's traditional culture so as to promote its prosperity.

Yuan Xuefen, honorary president of the Shanghai Shaoxing Opera Theater, said that importance must be attached to the development of Shaoxing Opera and all the other traditional 300 operas.

She stressed that earnest efforts must be made to draw lessons from the repeated struggles and movements over the past four decades which have cut "deep wounds" among the writers and artists.

Others present voiced their views on the need of a copyright law, film making, checkup of newspapers and magazines and the campaign to crack down on pornography, prostitution, drug abuse and other evils.

#### Gansu To Sterilize Retarded

HK2703024190 Hong Kong SOUTH CHINA  
MORNING POST in English 27 Mar 90 pp 1, 10

[Text] Mentally retarded people in Gansu Province, China, must be sterilised before they are allowed to get married.

In a small-group discussion at the National People's Congress yesterday, the Gansu Governor, Mr Jia Zhijie, disclosed that his province had enacted a new law on family planning to prevent mental retardation from being passed from generation to generation.

"Insane, dull-witted, and idiotic people must first complete sterilisation operations before they can registered for marriage," Mr Jia said.

"Some people say this is inhumane, but we think just the opposite is true."

Mr Jia did not disclose which government department would check on the state of mental health of residents, or what degree of mental impairment would call for the application of the stern measure.

It is not known whether other provinces have enacted similar legislation.

The Prime Minister, Mr Li Peng, who was also present at the discussion, expressed approval of the Gansu practice.

"Meantally retarded people will give birth to idiotic children," the official China News Service quoted Mr Li as saying.

"They can't take care of themselves. They will suffer and so will their parents. And it is detrimental to raising the quality of the people."

Mr Li slammed American critics who had attacked China's strict one-child family-planning programme as inhumane.

"Recently, the Human Rights Report of the U.S. has attacked China's family planning policy," he added.

"Yet we have taken into account the fundamental interest of our people."

Mr Li said family planning measures will continue to be tightened up.

"Areas inhabited by minority peoples should also pay attention to this policy," Mr Li said.

"Of course, they may observe dissimilar standards."

To pacify provinces and districts with high concentrations of ethnic minorities, Beijing has allowed their residents to have more than one child.

### National Unity Day

OW2703044390 Beijing XINHUA in English  
0209 GMT 27 Mar 90

[Text] Beijing, March 27 (XINHUA)—More than 30 deputies from Shanghai to the ongoing annual session of the National People's Congress (NPC) have proposed to designate a "national unity day" in order to enhance the people's sense of unity among the various nationalities in China.

There are 56 nationalities in China, with the minority nationalities numbering over 80 million or eight percent of the nation's total. And the area under autonomy of the minority peoples accounts for 64 percent of China's total territory.

Ha Baoxin, one of the NPC deputies who have submitted the proposal as a motion to the session and chairman of the Shanghai Nationalities Affairs Commission, explained that national unity and common progress constitute the basis of stability and prosperity of the entire Chinese nation.

To designate a national unity day, he said, will be useful in helping all the people, youngsters in particular, foster the sense of national unity.

### Entrepreneur on Rural Industries

OW2703193390 Beijing XINHUA in English  
0909 GMT 27 Mar 90

[Text] Beijing, March 27 (XINHUA)—A peasant entrepreneur today called for greater attention to millions of rural enterprises in the country, describing the burgeoning sector as the backbone of China's rural economy.

In an interview with XINHUA here, Chang Zonglin, one of China's top 10 peasant entrepreneurs, urged the government to stabilize present economic policies in the countryside and promote healthy development for rural industries.

Rural enterprises on the other hand should further improve their industrial structure and turn out more marketable products so as to increase their economic returns and inject more vigor to the steady development in rural economy, Chang added.

Chang was elected in 1988 a deputy to the Seventh National People's Congress (NPC) for a term of five years, and now sits on the Presidium of the current NPC session which opened one week ago.

Chang is the founder and president of the Xinmu International United Enterprises Co., a village-run enterprise in Muping County in east China's coastal Shandong Province. His corporation ranks the first among equals in the country by making a total industrial turnover of 123 million yuan last year.

With its fixed assets totalling 80 million yuan, Chang's corporation now boasts five subsidiaries engaging in such sectors as machinery, textile, chemical industry, food, aquatics breeding, ocean shipping and highway transportation.

Since 1987, the corporation has set up two export-oriented joint ventures with investment from Britain and Japan as well as one compensation trade firm in cooperation with Hong Kong. Their exports last year reached nine million U.S. dollars.

Chang Zonglin admitted that the sluggish market and lack of capital have also created challenges to China's rural industries. However he also regarded such difficulties as an opportunity for the sector to improve its own performance and open up new markets.

The entrepreneur urged the state to apply policy and capital assistance to rural enterprises that can bring cost-effective returns and foreign exchange earnings or operate in line with the state industrial policy.

"This will guarantee them a change to compete with state-owned enterprises on an equal footing," the self-taught business executive said.

In the course of the economic readjustment, Chang noted, rural industries are confronted with more difficulties than state-owned enterprises because they have to rely on their own for capital, energy and raw material supplies.

More protection and help from the state are needed for a large number of rural enterprises that suffer poor management and employee quality and can hardly readjust themselves.

However, he pointed out, those that either commit high wastes and energy consumption or seriously pollute the environment, ought to be eliminated through competition.

He highlighted the importance of such help, saying that rural enterprise now play a vital role in providing agricultural input, absorbing rural surplus labor, increasing farmers' income, ensuring social securities and advancing public welfare in rural areas.

To demonstrate his point, Chang said that his corporation's annual input in farm production amounts to three million yuan and its employment of rural laborers from elsewhere exceeds 3,000.

For the past six year, the peasant entrepreneur said, the per-capita income in his village has remained over 2,500 yuan each year, three times higher than the country's rural per-capita income or twice as much as the per capita annual income in the cities.

### Shenzhen Mayor on Reform

OW2703090990 Beijing XINHUA in English  
0628 GMT 27 Mar 90

[Text] Beijing, March 27 (XINHUA)—The Shenzhen Special Economic Zone will continue to expand its reform and open policy after scoring great successes in the past decade as China's experimental base in these efforts.

Li Hao, mayor of Shenzhen and a deputy to the current National People's Congress (NPC) session in Beijing, told XINHUA in an interview today that reform in the city for the next two years will be focused on improving the contract responsibility system for the management at the enterprise level.

This measure, he said, is aimed at establishing a self-control mechanism for enterprises in using the investment as well as their consumption and credit funds in a bid to stimulate the initiative of their employees.

At the same time, plans for enterprises' wage reform will be drafted and carried out, the mayor added.

On the market side, Shenzhen will continue its experiments in the stock-holding system and establish its own securities and exchange markets, while reform on the transfers of property right will be furthered to bring about a market for such activities.

Li Hao said that his city will also continue the reform of the social securities system and establish a system which combines insurance policies taken out by individuals and households with social and collective efforts.

The mayor pledged to increase the city government's macro control capability by using such economic levers as financing, taxation, credit, loans and wages.

As China's first special economic zone, Li said, Shenzhen has close connections with the world market and a developed economy with strong market orientation, which makes the city different from other parts of the country.

He also pledged to give full play to market regulation and establish an operating mechanism for the zone in reference to international practice.

Shenzhen used to be a small border town in south China neighboring Hong Kong and was made a special economic zone in 1979. While serving as China's window opening to the outside world, the city also led the country in various reform efforts.

According to Li Hao, Shenzhen's pioneer efforts in reform include its foreign exchange swap market, the investment control center for public properties in the city, sales of the right to use state-owned land through open bidding, experiments in commercial housing and in the stockholding system for state-owned enterprises.

In addition, Shenzhen has also conducted various reforms in the political and administrative fields to promote local democratic and legal systems and provide its citizens with more access to participation in and supervision over the government work.

To demonstrate his claim, Li said that Shenzhen has set up the country's first administrative supervision department and economic corruption reporting center. The city has also founded a preparatory committee for consultation on administrative affairs and 10 special task forces for consulting and supervision.

Due to all these efforts, Li said, Shenzhen has achieved great successes in its economic and social development.

According to local statistics, Shenzhen's total industrial and agricultural output last year reached 12.2 billion yuan, a rise of 31.6 percent over the previous year and dozens of times over the 167 million yuan in 1979 before the zone was set up.

The city has become China's second largest exporter after Shanghai. Its exports last year totalled 2.17 billion U.S. dollars, as compared with the 9.3 million U.S. dollars in 1979.

With the best investment climate in China, the zone has approved 2,585 foreign-invested enterprises in the past decade with a total paid-in foreign input of 2.734 billion U.S. dollars. These firms now contribute 58.9 percent of Shenzhen's industrial output and 65 percent of its total industrial exports.

### Further on SEZ Reforms

HK2703030790 Hong Kong SOUTH CHINA  
MORNING POST in English 27 Mar 90 p 11

[By Chris Yeung in Beijing]

[Text] In a surprise show of independence, heads of China's southern regions have clamoured for more autonomous powers to introduce reform measures and to attract foreign investors.

The Shenzhen mayor, Mr Li Hao, said at a group discussion at the National People's Congress, the special economic zones (SEZs) should be allowed to continue to introduce new reforms to boost the sagging economy.



Also speaking at the discussion among Guangdong delegates yesterday morning, the mayor of Shantou SEZ, Mr Chen Yanfa, lamented that many of the powers previously given to the regions had been resumed by the central Government, adding it did not work.

At the same time, the Vice-Governor of Guangdong, Mr Yu Fei, who is in charge of economic matters, called for a conference between the State Council's Office of Special Economic Zone Affairs and heads of the coastal regions in the south on the readjustment of economic policies.

The coastal cadres made the plea for the continued pursuit of priority economic development in the SEZs and coastal regions in the south as Beijing is poised to readjust its economic development strategy under the retrenchment programme.

Mr Li said: "The SEZ would not be special any more if there were no special policies. It's correct that the country should give priority to developing specific industries. And it is also true that the trend of some regions developing faster than others is irrevocable.

"New reform measures should be introduced where necessary. As long as the measures are advantageous to the development nationwide and in the SEZs, we should go ahead."

The Shenzhen mayor proposed the SEZs should be given more independent powers to introduce reforms without having to seek approval from higher authorities.

Mr Li said: "It's important that the SEZs can serve as a testing ground as we are going to develop a socialist economy with a combination of a planned economy and market mechanisms."

He refuted allegations that Shenzhen had enriched itself at the expense of the central Government.

According to the mayor, of the total 18.2 billion yuan (HK\$30.03 billion) investments that Shenzhen has attracted, only about two per cent had come from central coffers.

The bulk of the funds consisted of foreign investment, bank loans, and funds from economic units on the mainland, Mr Li said, adding that the municipality would not rely on government subsidies in future.

The Guangdong Vice-Governor said the conference between coastal regions and the Office of Special Economic Zone Affairs under the State Council on how to resolve the conflict of interest between the central Government and the regions, should be held as soon as possible.

Mr Yu highlighted the importance of having preferential arrangements for foreign investors which were more competitive with those in Hong Kong and Macao if the southern regions were to maintain competitiveness.

He also called for improvement over the licensing system for exports.

He opposed over-centralisation of the power of issuing licences in Beijing, which he said had blocked economic development in the southern regions.

Shantou's mayor was also critical of the licensing system, saying the state allocation of export licences had failed to meet the requirements of exports.

"Very often, we're only able to secure about 60 per cent of the requisite licences for our exports," Mr Chen said.

He also deplored the fact that Guangdong Province, as a special "experimental zone", had fewer special measures in the past few years in areas such as the approval of infrastructure development, loans and the issuing of export licences.

He said the lack of a comprehensive set of laws governing sole-ownership enterprises and joint ventures had dealt a blow to the confidence of foreign investors.

"There are no laws to be followed over matters such as the dissolution and bankruptcy of enterprises and there's no channel for complaints for foreign investors," Mr Chen complained.

#### Henan Deputy on Farmer Qualifications

OW2703145190 Beijing XINHUA in English  
1030 GMT 27 Mar 90

[Text] Beijing, March 27 (XINHUA)—A farmer deputy to the National People's Congress (NPC) said here today that though they are less educated, Chinese farmers are still capable of discussing state and government affairs.

At a press conference sponsored by the press center of the annual session of the NPC and of the Chinese People's Political Consultative Conference (CPPCC) National Committee, Shi Laihe, a deputy from central China's Henan Province, said, due to poor economic conditions in old China, Chinese farmers of over 50 years have little education.

But this does not mean they are incapable of discussing state and government affairs.

For example, he said, "I'm 59 years old. I had no chance to go to school when I was young." Shi, a native of Xinxiang County, has been a deputy to the Third, Fifth, Sixth and Seventh NPC and a member of the Sixth and Seventh NPC Standing Committee.

In response to a question by a "FARMERS' DAILY" reporter on farmers' ability to take part in and discuss state and government affairs, he said farmers are working in the fields and have rich practical experience. "They are surely able to discuss state and government affairs," he stressed.

He said the term of each National People's Congress is five years. Every year, it holds a session. Deputies from

among farmers discuss and deliberate the premier's government work report together with deputies from other walks of life.

But, he complained that the portion of farmers' deputies to the present National People's Congress is too small since there are 800 million farmers in China.

He hoped that the coming NPC would enlarge the portion of farmers' deputies to facilitate farmers' participation in and discussion of state and government affairs and promotion of democracy.

Of the 2,750 deputies attending this year's session of the Seventh NPC, deputies from among workers, farmers and soldiers account for 32 percent; women deputies, 22 percent; and deputies from China's minority nationalities, 15 percent.

### Roundup on Economic Problems

OW2703162490 Beijing XINHUA in English  
1557 GMT 27 Mar 90

["Roundup: Problems and Solutions"—XINHUA headline]

[Text] Beijing, March 27 (XINHUA)—Economists, local government officials and business executives now gathering in Beijing have in the past week been racking their brain to find solutions to the problems existing in China's economic life.

They are deputies to the National People's Congress (NPC) or members of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) attending the annual sessions of the country's highest legislative and advisory bodies.

As they look into the problems from different angles, their views differ from one another slightly. But they converge on this point: the problems in the national economy are unavoidable and there are solutions to them.

Their views are either macro- or micro-oriented. Some of the solutions are theoretical while others are more practical. At any rate, their opinions offer alternative solutions for the government to choose.

In the government work report delivered at the NPC annual session, Premier Li Peng listed such economic problems as excessive stockpiles of products and manufactured goods, shortage of funds in enterprises, slow production growth and an increased number of enterprises running at half capacity or brought to a standstill.

The premier also said that the root cause of all these problems is the sluggish market. There have been many discussions on the market problem among participants in the two sessions.

Qin Jiqiang, director of a washing machine factory in Hangzhou City, east China's Zhejiang Province,

described the market, funds and raw materials as "three big mountains that bear on the enterprises like dead weight."

Since the market is the root cause of the problems, he said, the way out lies in the market.

Most participants are of the opinion that on the one hand, the sluggish market has led to an increasing number of factories operating at half capacity or stopping production, and on the other, it provides an opportunity for businesses.

Governor Li Changchun of Liaoning Province, one of China's major industrial bases, said that the government wanted to accelerate the process of adjusting product mix and raising the quality of product to improve the economic performance of enterprises. But under the sellers' market, this was hardly realistic.

Now the appearance of buyers' market for certain commodities exerts more pressure on the enterprises. "This is conducive to technological progress and adjustment of product mix in the enterprises," he insisted.

Chen Anyu, chairman of the Standing Committee of the Zhejiang Provincial People's Congress, held similar views. He said that the sluggish market "has created an excellent opportunity for transferring the economy based on the output value to the socialist planned commodity economy by following the law of value."

Liu Shibai, president of the Southwest China University of Finance and Economics, offered a 10-point proposal to enliven the sluggish market.

His measures include lowering the prices of some commodities and the interest rate on savings deposits and encouraging "reasonable, moderate consumption."

He warned that businesses must not vie with each other to lower the prices because that would intensify the customers' psychology and behavior of "buying when prices going up".

Neither Professor Liu nor the government work report mention relaxing the control on institutional spending. But two officials from Shanghai and Beijing in charge of economic work raise the demand. In China, the curb on institutional spending directly affects the sales of expensive office equipment and cars.

Another hot topic at the two sessions is the poor economic returns of industrial enterprises to which, according to the government work report, many contradictions boil down.

Many participants say that this analysis made by the government hits the nail on the head and the measures it offers to improve the management of enterprises are also practical. But their discussions show the problem is a hard nut to crack.

Fan Baling, vice-mayor of Jiaxing City, Zhejiang Province, said the biggest problem in management is that enterprises are overstaffing and increasing share of wages in the cost of production. "Nowadays factories that have stopped production still have to pay the workers full or part of wages," she said.

Under such circumstances, she said, measures to improve management of enterprises are simply out of the question. Reform must be continued no matter how risky it might be, she insisted.

Chen Anyu also touched upon the relationship between steady development and deepening of reform. He said the contracted responsibility system might be an effective solution to the problem of poor economic performance of enterprises. But when the economic structure and the pricing system are not rationalized, the contract system cannot be a cure-all.

Noting that state subsidies to losing enterprises plus subsidies to price hike account for one-third of the government budgetary expenditure, he said the fundamental solution is to make the prices of commodities gradually approach their real value through competition in the market.

If the law of value is not followed, the local congress leader warned, the prices will become further apart from the value and this will lead to greater financial difficulties for the government, economic disproportion and shrinking production.

Professor Xiong Xingmei, a member of the CPPCC National Committee and vice-director of the International Economics Institute of the Nankai University in Tianjin, referred to foreign experience in finding solutions to the problems.

He said that people now have noticed the link between entrenchment on the one hand and shortage of funds, drop of economic growth rate and the sluggish market on the other.

"But we seem to have no idea on how to maintain an appropriate connection between the two," he pointed out. When the government decides to cut down on a number of projects, he said, it must consider the number of workers to be laid off because of the cut, and also the number of laid-off workers who can benefit from the welfare program.

He suggested that as in many other countries, relevant organizations dish up different plans for the government to choose.

Many of the above arguments and ideas have been published in Chinese newspapers. Premier Li Peng and other government leaders have spent a lot of time soliciting opinions from various quarters. Meanwhile, suggestions and views are printed in bulletins circulating among the participants and also among government leaders.

### More Peasant Participation Urged

HK2803031190 Hong Kong SOUTH CHINA  
MORNING POST in English 28 Mar 90 p 8

[By John Kohut in Beijing]

[Text] A model worker and peasant member of the National People's Congress (NPC) complained yesterday that China's 800 million farmers were under-represented in China's nominal parliament.

"Given the 80 percent peasant population in the whole country, the present proportion of peasant deputies in the NPC and its Standing Committee is indeed very small," said Mr Shi Laihe, one of the two peasant members of the 155-man NPC Standing Committee.

In the NPC as a whole, there are only a handful of farmers. Although no figure was readily available for the number of peasants at the Congress, an official noted that of the 2,750 NPC delegates, only 32 percent came from the ranks of peasants, workers and soldiers.

Despite their lack of schooling, peasants had as much a right as any other sector of society to be heard in government, insisted Mr Shi, who was speaking at a press conference given by six representatives of the NPC and its advisory body, the Chinese People's Political Consultative Conference.

"All theory comes from practice," said Mr Shi, head of the Communist Party branch of Liuzhuang village, in Henan's Xinxiang county, one of the first places in China to form a commune when the Great Leap Forward began in 1958.

Mr Shi, who himself did not learn to read and write until he was 19 years old, admitted peasants, especially those of his generation, were poorly educated.

"But peasants are working in the forefront of the agricultural field. They are very rich in experience, so they should have the opportunity to participate in and discuss state affairs," he said. "They do indeed have the ability."

"Personally, I hope that at the next NPC session the number of peasant deputies will be increased. This is also very helpful to the development of democracy," he said.

Under the Chinese system, there are direct elections for deputies of local people's congresses, but not for the delegates to the NPC. The system has worked against the peasant population in getting more places in the congress.

At previous congresses, there have been movements to reform the NPC, to make it more representative and powerful. But Mr Luo Yifeng, a returned Overseas Chinese, model worker and NPC deputy, demonstrated the attitude of deputies at this NPC when he responded to a question on political reform.



Asked if he thought there should be direct elections for NPC deputies, he said the present system was the best.

### **Peng Chong Gives Report**

*OW2803033190 Beijing XINHUA in English  
0303 GMT 28 Mar 90*

[Text] Beijing, March 28 (XINHUA)—The Standing Committee of the National People's Congress (NPC) made progress in various fields of work amid serious political struggles and the campaign to rectify the economy and deepen the reform, NPC Standing Committee Vice-Chairman Peng Chong said here today.

Peng said the committee made the progress by upholding the guidance of the Communist Party's basic line and earnestly performing its duties vested by the Constitution.

Peng made the remarks in his report on the work of the NPC Standing Committee delivered at the third plenary meeting of the ongoing third annual session of the Seventh NPC.

At the turn of spring into summer last year, he said, the NPC Standing Committee firmly supported the government in ending turmoils in some localities and quelling the counterrevolutionary rebellion in Beijing, thus safeguarding the dignity of the Constitution and maintaining social stability.

In the beginning of last year and in March of the year when the Second Session of the Seventh NPC was in session, he said, a very small number of people moulded public opinion in various ways in an attempt to negate the four cardinal principles (referring to the socialist road, the people's democratic dictatorship, the leadership by the Communist Party and Marxism-Leninism-Mao Zedong Thought) through revising the Constitution.

They also advocated an "amnesty" under the banner of "protecting human rights" to exert pressure on the NPC Standing Committee through various channels. "Their perverse acts naturally met with resolute resistance by the NPC Standing Committee and NPC deputies," Peng said.

During the crucial period when social unrest occurred in Beijing, Vice-Chairman Peng Chong said, the NPC Standing Committee stood up against an adverse current created by plotters and organizers of the turmoil to force the NPC Standing Committee to revoke the imposition of martial law in parts of Beijing by the State Council.

The NPC Standing Committee held that the imposition of martial law by the State Council in parts of Beijing in accordance with the Constitution is "necessary and lawful," he said.

Peng Chong said the NPC Standing Committee has expressed its extremely strong indignation against wanton interference in China's internal affairs by some

countries. At NPC Standing Committee meetings, its members strongly denounced some U.S. congressmen for their repeated anti-China clamors, he added.

The Foreign Affairs Committee under the NPC has made statements on six occasions expressing the NPC Standing Committee's solemn and just stand and denouncing an amendment adopted by the U.S. Congress on sanctions against China and resolutions on the question of Tibet, which pose interference in China's internal affairs, adopted respectively by the U.S. House of Representatives and Senate, and the European Parliament.

Together with delegations from friendly countries, a delegation of China's NPC to the 82nd Session of the Interparliamentary Union foiled by an overwhelming majority the attempt of some Western countries to take advantage of the session to interfere in China's internal affairs.

In his work report, Vice-Chairman Peng Chong also reviewed the progress made in strengthening legislation, supervising enforcement of law, guiding elections of deputies to the next term of people's congresses at the county and township levels, and handling people's deputies' motions and suggestions.

### **Resolution on Peng Report**

*OW0404191690 Beijing XINHUA Domestic Service  
in Chinese 1137 GMT 04 Apr 90*

[Text] Beijing, 4 Apr (XINHUA)—Resolution of the Third Session of the Seventh National People's Congress [NPC] on the Work Report of the NPC Standing Committee

Adopted by the Third Session of the Seventh NPC on 4 April 1990

The Third Session of the Seventh NPC examined the work report submitted by Peng Chong, vice chairman and secretary general of the NPC Standing Committee, on behalf of the NPC Standing Committee. The meeting is of the opinion that the Standing Committee has made new headway in the past year in various fields, including safeguarding the dignity of the Constitution and national stability, enhancing economic retrenchment, deepening reform, and striving to fulfill its constitutional responsibilities. The session has decided to approve this report.

The session urges the Standing Committee to earnestly sum up its experiences in developing the people's congress system since the founding of the People's Republic, firmly follow the guidance provided by the CPC's basic line concerning the initial stage of socialism, earnestly exercise its constitutional powers, and continue to improve the people's congress system so that the roles played by the state's highest power organ and permanent organ can be brought into fuller play. It should continue to intensify the construction of the socialist democratic and legal system, accelerate the pace of legislation, and earnestly improve and intensify its supervision over the

enforcement of laws and over other work. It should uphold the principle of democratic centralism; strengthen its own construction; forge close ties with NPC deputies and the people; and strive to further stabilize China's political, economic and social situation and build a highly democratic and perfect legal system.

#### **Economic, Social Development Resolution**

OW0404141290 Beijing XINHUA Domestic Service  
in Chinese 1107 GMT 4 Apr 90

[Text] Beijing, 4 Apr (XINHUA)—Resolution of the Third Session of the Seventh National People's Congress [NPC] on the Implementation of the 1989 National Economic and Social Development Plan and the 1990 National Economic and Social Development Plan

Adopted on 4 April 1990 at the Third Session of the Seventh NPC

After discussion and deliberation and based on the examination report by the NPC Financial and Economic Committee, the Third Session of the Seventh NPC has decided to approve the 1990 National Economic and Social Development Plan proposed by the State Council and the "Report on the Implementation of the National Economic and Social Development Plan for 1989 and the Draft Plan for 1990" submitted by Zou Jiahua, state councillor and minister in charge of the State Planning Commission.

#### **1989, 1990 Budgets Resolution**

OW0404195290 Beijing XINHUA Domestic Service  
in Chinese 1108 GMT 4 Apr 90

[Text] Beijing, 4 Apr (XINHUA)—Resolution of the Third Session of the Seventh National People's Congress [NPC] Concerning the Execution of the 1989 State Budget and the State Budget of 1990

Adopted by the Third Session of the Seventh NPC on 4 April 1990

After examination and on the basis of the examination report of the NPC Financial and Economic Committee, the Third Session of the Seventh NPC decides to approve the 1990 state budget presented by the State Council, and approve the "Report on the Execution of the 1989 State Budget and the Draft 1990 State Budget" given by Wang Bingqian, state councillor and minister of finance. The session authorizes the NPC Standing Committee to examine and approve the 1989 final accounts of the state.

#### **Basic Law Committee**

OW0404200290 Beijing XINHUA Domestic Service  
in Chinese 1133 GMT 04 Apr 90

[Text] Beijing, 4 Apr (XINHUA)—Proposal of the Committee for Drafting the Basic Law of the Hong Kong Special Administrative Region on Establishing the Hong

Hong Special Administrative Region Basic Law Committee under the National People's Congress [NPC] Standing Committee

1. Name: Hong Kong Special Administrative Region Basic Law Committee of the NPC Standing Committee.

2. Affiliation: It is a working committee established under the NPC Standing Committee.

3. Mission: To study issues relevant to the implementation of articles 17, 18, 158 and 159 of the Basic Law of the Hong Kong Special Administrative Region; and to advise the NPC Standing Committee in this area.

4. Composition: It will be composed of 12 members—six from China and six from Hong Kong, including personnel of the legal circles—appointed by the NPC Standing Committee. Their term of office will be five years. Members from Hong Kong should be Chinese citizens who are permanent residents of the Hong Kong Special Administrative Region, and who do not have the right of residence in foreign countries. They will be jointly nominated by the administrative officer of the Hong Kong Special Administrative Region, the chairman of the Legislative Council, and the chief justice of the court of final judgment, and reported to the NPC Standing Committee for appointment.

#### **Environmental Problems Stressed**

OW0404175490 Beijing XINHUA in English  
1437 GMT 4 Apr 90

[Text] Beijing, April 4 (XINHUA)—Deputies from Hainan Province to the National People's Congress (NPC) have called for resolute measures to stop felling tropical trees on the island and prevent further destruction of the environment and ecological imbalance.

Environmental protection was one of the hot topics at the just-ended annual NPC session, and some of the deputies' views on this subject were incorporated into the revised version of the government work report, which was endorsed by the session at its closing meeting this afternoon.

Hainan is the newest province and also the largest special economic zone in China.

Governor Liu Jianfeng said more attention must be paid to the protection of the environment on Hainan, China's second largest island, as large-scale economic construction is getting under way.

There were one million hectares of virgin forests on the 32,000 sq. km island 40 years ago, he noted. But, two thirds of them have been destroyed.

To safeguard the remaining forests, the provincial government has designated 36 nature reserves.

Nevertheless, Governor Liu and other NPC deputies from Hainan are worried about the prospects, because Hainan has little coal reserves and the six million local

residents depend on firewood for cooking, constituting a growing threat to the existing forests.

NPC deputies from Hainan Province suggested that all or a bigger share of the natural gas being exploited in the Yinggehai Sea area by the central government should be retained by the province.

At the same time, they asked the Ministry of Forestry to allocate funds to relocate the 20,000 lumbermen in the island's three major timber areas and help them switch to other lines of production.

Some deputies from Henan and Hubei Provinces called for intensified efforts to harness big rivers.

Pan Xiandi, a deputy from Henan, said that the worsening water shortage in north China especially in the Beijing-Tianjin-Tangshan region not only affects the national economy but also endangers the survival of the local people there.

She said the country is facing an arduous task of controlling water pollution as the national volume of discharged waste water amounts to 30 billion tons annually and is expected to reach 39 billion tons by the end of century.

Soil erosion affects 1.5 million square kilometers of land, she said, and water and soil conservation has only covered one third of the affected area. The problem will become even worse if no further efforts are made, she warned.

Floods have constantly attacked Hubei Province and its capital Wuhan on the middle reaches of the Yangtze River. In the past two thousand years, the province has suffered from one flood in every 10 years. A flood in 1931 inundated 3.3 million hectares of farmland and caused 145,000 deaths. Another flood in 1954 suspended traffic on the Beijing-Guangzhou railway, the north-south bloodline of the country, for 100 days.

Shen Kechang, a deputy from Hubei Province and member of the technical committee under the provincial office for the Yangtze River control, warned that if no efforts are made to harness the Yangtze River and its tributaries, floods like those in 1954 will cause greater damage than in that year.

He offered a comprehensive flood control plan which consists of a project in the three gorges on the upper reaches of the Yangtze, supported by reservoirs to be built on the tributaries, reinforced dykes and dredging of rivers and lakes in the Yangtze River delta.

Other deputies called for effective measures to prevent denudation in the river's upper reaches.

Xu Xueshou, a deputy from Anhui Province, said that as a result of the worsening environment, some endemic diseases have come up again in the country, citing increasing incidence of snail fever and appearance of AIDS.

He suggested that the public health networks be strengthened through reform, patriotic health campaign carried out on an extensive scale and government expenditure on public health increased.

Wang Gong, a lawyer and deputy also from Anhui, said that the people's congresses should strengthen supervision over governments at all levels on the implementation of the laws on water, environmental protection and prevention of water pollution.

### Hu Qili Interviewed

HK0404095190 Hong Kong WEN WEI PO in Chinese  
4 Apr 90 p 2

[Report by WEN WEI PO Beijing-Based Reporters Group: "Hu Qili Smilingly Talks About His State of Mind"]

[Text] Beijing, 3 Apr—Since the beginning of the current National People's Congress [NPC], former CPC Central Committee Political Bureau member Hu Qili has been a spectacular deputy. This afternoon, when Hu Qili attended a meeting to perform his sacred duty of casting his vote, perhaps because there were too many deputies from various places asking for autographs and to have pictures taken together with him to mark the occasion, during the recess after the vote, he left quietly.

The following is a conversation between Hu Qili and a reporter of this newspaper before he left the scene:

Reporter: Mr. Hu Qili, forgive me for taking the liberty. Right at this moment in last year's NPC session, you were sitting on the platform, but this year you are not sitting there. At this moment, how do you feel?

Hu Qili: What does it matter? We have always talked about the ability to move up and move down. When it is my turn, can I only have the ability to move up but not the ability to move down? Be able to move up and down. (He paused, substituting for further answer a natural and sincere smile)

Reporter: While you are not sitting on the platform, there are so many deputies who want to have your autograph and have pictures taken with you to mark the occasion. At this moment, again, how do you feel?

Hu Qili: ...(Silent for a little while) It is nothing. Everyone wants a signature and to have a picture taken together. (He smiled again) They are not asking me to sign cheques, or go to the bank to withdraw money or transfer funds. So I signed. It is easy.

Reporter: Any special thoughts or feelings?

Hu Qili: ...Hardly at all. Thank you.

This afternoon, after Hu Qili entered the hall and took his seat, deputies kept coming forward to ask for his autograph; most of them were holding the first day envelope marking the NPC session, some were holding records of meetings, and some were even holding their

own work identity cards. During the meeting, whenever the seat next to Hu Qili was empty, a deputy would sit down to have a picture taken together to mark the occasion. While this newspaper's reporter stood silently in a corner watching this scene, he heard a conversation. A male deputy said: "I want to go to him for his autograph, does it matter?" A female deputy said: "What does it matter? He is a deputy to the NPC, and also a member of the Central Committee."

The turning up of Hu Qili has naturally become an object of interest to reporters. After Hu Qili cast his vote, reporters immediately came forward to ask him how he had voted. Hu Qili said frankly that he had voted in favor, and that he thought that the candidate was very fit to perform the duty. Facing the endless questions pressed on him by reporters, Hu Qili excused himself, saying that today he had come to participate in the meeting and to vote, and that he had no intention of holding a press conference or answering questions. When asked whether he has any concrete administrative duties, Hu Qili said he was a people's deputy to the NPC, and a member of the Central Committee. Then, Hu Qili politely asked the reporters to please excuse him, for he did not want to hold a press conference and answer questions. At this moment, the loudspeaker was asking deputies to return to their seats.

#### He Jingzhi, Wu Juetian Resign

OW0404134190 Beijing XINHUA Domestic Service  
in Chinese 1205 GMT 4 Apr 90

[Text] Beijing, 4 April (XINHUA)—Decision of the Third Session of the Seventh National People's Congress [NPC] confirming the acceptance by the NPC Standing Committee of the request of He Jingzhi and Wu Juetian to resign from their positions as members of the NPC Standing Committee

Approved by the Third Session of the Seventh NPC on 4 April 1990

The Third Session of the Seventh NPC has decided to confirm the acceptance by the Seventh NPC Standing Committee at its Ninth and 13th Meetings of the request of He Jingzhi and Wu Juetian to resign from their positions as members of the Seventh NPC Standing Committee.

#### Military Commission Vice Chairman Named

OW0504075790 Beijing XINHUA Domestic Service  
in Chinese 1204 GMT 4 Apr 90

[Text] Beijing, 4 Apr (XINHUA)—No. 3 Public Notice of the National People's Congress of the People's Republic of China

On 4 April 1990, the Third Session of the Seventh National People's Congress, upon nomination by the chairman of the Central Military Commission of the People's Republic of China, decided to:

Appoint Liu Huaqing vice chairman of the Central Military Commission of the People's Republic of China;

Remove Hong Xuezhi from the post of member of the Central Military Commission of the People's Republic of China.

The Presidium of the Third Session of the Seventh National People's Congress of the People's Republic of China

4 April 1990, Beijing

#### Procuratorate Report Resolution

OW0504082390 Beijing XINHUA Domestic Service  
in Chinese 1204 GMT 4 Apr 90

[Text] Beijing, 4 Apr (XINHUA)—The resolution of the Third Session of the Seventh National People's Congress concerning the Work Report of the Supreme People's Procuratorate

Adopted at the Third Session of the Seventh National People's Congress on 4 April 1990

The Third Session of the Seventh National People's Congress approved Procurator General Liu Fuzhi's "Work Report of the Supreme People's Procuratorate."

#### Supreme Court Report Resolution

OW0504081890 Beijing XINHUA Domestic Service  
in Chinese 1203 GMT 4 Apr 90

[Text] Beijing, 4 Apr (XINHUA)—The resolution of the Third Session of the Seventh National People's Congress concerning the Work Report of the Supreme People's Court

Adopted at the Third Session of the Seventh National People's Congress on 4 April 1990

The Third Session of the Seventh National People's Congress approved President Ren Jianxin's "Work Report of the Supreme People's Court."

#### Li Peng, Others Hold News Conference

OW0404103790 Beijing Television Service in Mandarin  
0828 GMT 4 Apr 90

[News conference held by Li Peng, Yao Yilin, Tian Jiyun, Wu Xueqian, and others chaired by Yao Guang on 4 April 1990 at the Great Hall of the People; live in Mandarin, with passage-by-passage translation into English by unidentified interpreter, who also translates reporters' questions into English—translated from Mandarin]

[Text] [Announcer] This is the Central Television Station. Ladies and gentlemen, at 1630 this afternoon, Yao Guang, press spokesman of the Third Session of the Seventh National People's Congress [NPC] is holding a press conference. Premier Li Peng and Vice Premiers Yao Yilin, Tian Jiyun, and Wu Xueqian have been



invited to the conference to meet Chinese and foreign reporters and answer their questions. We now carry an on-site live broadcast of the press conference in the great hall on the third floor of the Great Hall of the People in Beijing.

[Yao Guang] Ladies and gentlemen: Good afternoon. Today, on the occasion of the successful conclusion of the Third Session of the Seventh NPC, I am very glad to have invited Li Peng, premier, and Yao Yilin, Tian Jiyun, and Wu Xueqian, vice premiers of the State Council, to meet with you and answer your questions concerning major issues of interest to you. Now, will Premier Li Peng please speak? Thank you.

[Li Peng] Ladies, gentlemen, and comrades: Again, on behalf of the Chinese Government and people, I would like to express my warm welcome to the reporters covering the Third Session of the Seventh NPC and the Third Session of the National Committee of the Seventh Chinese People's Political Consultative Conference [CPPCC]. We are very happy to have this opportunity to meet with you and are willing to answer the questions you are concerned about.

[Yao Guang] Now, the floor is open. Before you pose your questions, I would like to announce three rules: First, because so many reporters are present here today, each reporter is limited to only one question. Second, the question should be as brief and concise as possible. Third, before asking the question, please identify yourself and the news agency you represent.

[Unidentified person to right of Tian Jiyun] The lady in front.

[Female RENMIN RIBAO reporter] I am a reporter of RENMIN RIBAO. Premier Li Peng, as the head of the Government, how do you evaluate the just-concluded Third Session of the Seventh NPC and the Third Session of the Seventh CPPCC National Committee?

[Li Peng] As head of the State Council, I am satisfied with the just-concluded two sessions of the CPPCC National Committee and the NPC. In the first place, the NPC session ratified the government work report. At the same time, the CPPCC National Committee session expressed agreement with the report. The ratification of this report means approval of the work of the governments at all levels over the past year and agreement with the four working principles for this year and China's foreign policy. Therefore, I believe these sessions are inspiring. They are to mobilize the people around the country to work with one heart and one mind to fulfill the goal of political, economic, and social stability and development. The NPC session also adopted the Hong Kong Basic Law, which embodies the concept of one country, two systems. Its adoption is sure to exert an important influence on the long-term stability and prosperity of Hong Kong. In addition, the session elected Comrade Jiang Zemin chairman of the Central Military Commission of the People's Republic of China and reconfirmed the commission's membership. This is an

indication of the consistent principle for building our Army, that is, the Army should be put under the absolute leadership of the party. Comrade Jiang Zemin, as the general secretary of the party, now assumes the post of chairman of the Central Military Commission of the People's Republic of China. This is conducive to political stability throughout the country.

The NPC deputies and CPPCC National Committee members carried out earnest discussions on the government work report. In an atmosphere in which democracy was given full play, they offered many fine ideas and proposed many additions and amendments to the report. As a result, the report was much improved. I can reveal to you here: The report went through revisions in nearly 80 places before the final version was decided upon, and many of the revisions were substantial amendments and supplements.

[Reporter] I am from the Soviet Broadcasting Station. Premier Li, you are going to visit the Soviet Union soon. What do you think is the significance of your coming visit? What do you think the prospects for the development of the bilateral relations between China and the Soviet Union will be? What will the future hold for their relations? Thank you.

[Li Peng] In May of last year, Chairman Gorbachev—I should now say President Gorbachev—made a visit to China during which he held talks with the leaders of China. This realized the normalization of the relations between China and the Soviet Union. It was a visit that put an end to the past and opened a new chapter in our future relations. At the time, he extended an invitation to the leaders of China to visit the Soviet Union. My coming visit to the Soviet Union will be a return visit to his visit to China. China stands ready to continue to develop political, economic, cultural, scientific, and educational relations with the Soviet Union on the basis of the five principles of peaceful coexistence. As neighboring countries with a border extending more than 7,000 km, the development of good-neighborly relations between China and the Soviet Union is not only in the interests of the two peoples but also, I believe, will contribute to peace in Asia and throughout the world. I hope this coming visit will be crowned with success.

[Reporter] I am from Hong Kong WEN WEI PO. The NPC session adopted the [Hong Kong] basic law today. This signaled a new stage in Hong Kong's transitional period. I wonder what basic assessment of the situation in this new transitional stage was made by the top leaders in China, and what kind of preparatory work do the Chinese leaders think should be done before the basic law comes into effect on 1 July 1997?

[Li Peng] I would like to refer this question to Vice Premier Wu Xueqian.

[Wu Xueqian] At a plenary meeting held this afternoon, the NPC session adopted the basic law. Following the adoption of the basic law of Hong Kong, we are entering the second stage [of Hong Kong's transitional period].

which will last for about seven years. In this stage, we can carry out our preparatory work in accordance with the spirit of the basic law, in accordance with its principles. One thing of crucial importance is that China and the Hong Kong-British authorities, the Chinese Government and the British Government, must cooperate with each other to make sure that we will be able to perform a good job in our work in various respects between now and 1 July 1997, and that there will be a smooth transition in accordance with the provisions of the basic law, that we will bring about a smooth turn over of sovereignty.

[Reporter] I am a reporter from CHINA NEWS SERVICE. It has been reported in the foreign press that the plan for the development of the Yangpu area has been shelved. I would like to ask Premier Li Peng whether this is true. What new progress has the government made in connection with the plan? Thank you.

[Li Peng] The State Council is supportive of the economic development of Yangpu on Hainan Island. For some time, some comrades in our country did not quite understand the significance of developing the Yangpu area. They worried that the development would lead to a new kind of concession, or some form of colony. These are two entirely different matters.

The Chinese people have retrieved their concessions through a protracted struggle. Moreover, we have adopted the Basic Law for Hong Kong, under which China will resume sovereignty over Hong Kong in 1997. Why would the Chinese Government turn the Yangpu area into a new colony, or grant land to foreigners? It is obviously a misunderstanding.

This kind of development of an entire area is a form of using foreign capital. By development of an entire area, we mean that foreign businessmen build the infrastructure of a tract of land before bringing in their projects. However, the sovereignty over the land is still in the hands of China, and Chinese law applies in the area. The executive rights also lie with China. We only provide a good and preferential investment climate for foreign businessmen.

We hope to bring in some good projects through infrastructural development. At the same time, we hope to spur infrastructural development through the introduction of good projects. China has successfully tested this kind of development in some small pilot areas. The State Council plans to sum up this successful experience and formulate some documents and regulations to promote the sound development of entire areas.

[Reporter] I am from the Soviet TASS NEWS AGENCY. The Chinese leadership and press have said on many recent occasions that the maintenance of economic, political, and social stability is currently the chief guarantee for China to achieve success in all fields of endeavor. Premier Li, what measures will you take this year in connection with this?

[Li Peng] The title of my government work report to the recent NPC session is "Work Hard To Further Develop Political, Economic, and Social Stability." The report discusses the questions you just asked. So as not to waste the time of others, I suggest you study my report again.

[Reporter] I am a reporter from the China Central Television Station. My name is (Zhang Jinghai). My question is: The current situation of a sluggish market has not yet improved. What measures will the government take to solve the problem as quickly as possible?

[Li Peng] I suggest that Vice Premier Yao Yilin answer this question.

[Yao Yilin] We still have not yet completely put an end to the phenomenon of a sluggish market. Premier Li Peng, in his government work report, has already discussed many methods for changing this phenomenon of sluggishness. I think you need only to thumb through the report, and then you will be familiar with this issue. I do not think it will be necessary for me to repeat it all here. The crux of the matter lies in the fact that some people argue that the prescription written out is too strong, while others argue that it is not strong enough. Two different arguments do exist at present. In my opinion, the prescription, first, is effective, and second is cautious. By effective I mean that it definitely will be able to play a role in solving the problem of a sluggish market. By cautious I mean that it will not touch off new inflation. This prescription is one that is designed to work as I have just mentioned.

As regards the question of whether or not we can solve the problem of a sluggish market by relying on the prescription, I must say that we have just started and there is no experience yet. I believe that right now the first step that we must take is to discover ways to implement the plans outlined in Premier Li Peng's report. It will depend on both the central government, the State Council, and the local governments to see to the implementation of the plans. The State Council already has begun to take action. It is hoped that every area across the country will also follow suit. We will observe the results for a period of time—say, one or two months, for example—while actions are being taken. We will watch the results for a period of time. If the prescription is found to be not strong enough, we simply need to add a few more herbal medicines, and then it will do. Is that not so? Will the prescription be too strong? I say it will not be too strong. If the prescription is found inadequate, we simply need to add a few more herbal medicines. It is necessary for us to take this kind of careful and cautious attitude because we have already reigned in the trend of inflation and now we cannot afford to touch off more inflation. While invigorating the market, we must strive to solve the problem of a sluggish market and prevent a recurrence of the ills of inflation.

[Li Peng] I would like to make a suggestion to the host of the conference. So far, we have given more answers to the questions raised by the reporters of the Chinese side.



I hope more attention will be paid to foreign reporters and reporters from Hong Kong, Macao, and Taiwan.

[Reporter, speaking in English] Thank you, Mr. Li. People used to say that the Communist Party has such a thorough control of China that it would be impossible to hide for more than one or two days if the government was after you. But, yesterday, it was revealed that Chai Ling, one of the students on the most-wanted list, got out of China after hiding for more than nine months. How can you explain this? Is it because the security forces did not do their job well enough? Is it because there are too many local Communist Party officials who are willing to give help to those opposing rule in Beijing? Is there some other reason? Thank you.

[Translator, speaking in English] Will you please identify yourself?

[Reporter, in English] I am from the SOUTH CHINA MORNING POST from Hong Kong.

[Translator, in English] Thank you.

[Li Peng] We have already heard the news concerning the matter that you have just mentioned. What you have just said is not completely accurate. China is a big country. It is unavoidable that one or two persons might get out of the country. Both Chai Ling and Feng Congde are wanted by the Chinese public security organs. I have taken note of the statement released by French Foreign Minister Dumas at the French parliament in which he says that the French Government is opposed to the conduct of any political activity by anyone on French soil against a government that has diplomatic relations with France. I hope that this statement can be honored.

[Reporter, in English] I am a NEW YORK TIMES reporter. Mr. Li, we know, from Jiang Zemin's news conference [held on 26 September 1989] that Chinese leaders do not regard the killing last 4 June as a tragedy. Do you have regret at all about so many deaths? Since you have referred to it as a great victory, could you tell us who gets the credit, who was it who ordered the troops to fire on the crowds and were you involved in issuing that order?

[Li Peng] [smiling] I wonder whether this question is a little bit out of date because almost a year has passed since the 4 June event. Frankly speaking, at the beginning of the turmoil, which took place last spring, we did not think about using force to solve the problem. It was only after a long period of patient waiting and only when at long last the fate of the People's Republic of China and the socialist system was in serious jeopardy and when Beijing was thrown into great anarchy that the Chinese Government was forced to take the measures that it really took. So, I believe that you cannot consider this question by divorcing yourself from the circumstances that prevailed at that time. Of course, we can consider other alternatives after the event, but at that time it was impossible for us to think about another method or

alternative. If we consider this matter from a comprehensive historical long-term perspective, then we can say that our measures won the support of the overwhelming majority of the Chinese people because our struggle saved the PRC and the socialist system. The historical developments have more and more clearly testified to this point.

[Reporter, speaking in English] James Miles from the British Broadcast Corporation. Mr. Li Peng, do you or do you not accept responsibility for the troops firing at the people? Was there any order for the troops to fire at anyone that night and who gave it?

[Li Peng] I answered this question just now in reply to the question from the NEW YORK TIMES reporter. [Li Peng laughs] News means something new. I think there is no need to talk about it now. Comrade Chen Xitong, state councillor and mayor of Beijing, already made a very detailed report on the 4 June incident at a Standing Committee meeting of the NPC last year. If any one of you is interested in this matter, I would like you to refer to that report.

[Reporter] I would like to express my thanks to the NPC for giving me a chance to pose questions. I am (Tan Zhiqiang) from Taiwan's CHINA TIMES. Last year I asked a question about the CPC's opinions of Li Denghui. The question I am going to ask this year is the same. My question is: Many mainland newspapers and publications, including the official XINHUA NEWS AGENCY, have not only described the just-concluded election of Taiwan leaders as an election of a pseudo-president and a pseudo-vice president, but also criticized the Li Denghui government for condoning [the advocacy of] Taiwan independence, and even openly supported another [presidential] candidate who advocated reunification with China. Many people in Taiwan believe that this candidate was Jiang Weiguo, the son of Chiang Kai-shek. I wonder why the CPC made this decision, which is highly offensive to many Taiwan residents, and upon what information or intelligence the decision was based. Now that Li Denghui has been elected [president of Taiwan], I wonder what expectations Beijing has in regard to his future policies, especially the policy toward the mainland. I am finished with my question. Thank you.

[Li Peng] As far as I can remember, no Chinese Government leader or department has ever voiced any opinion about Taiwan's presidential election. We did not express support for either General Jiang Weiguo or Mr. Li Denghui. I think the mainland cannot be blamed for all the chaos that arose in Taiwan's so-called National Assembly election. We exercised quite a bit of restraint in our press coverage [of the election], and gave only fragmentary reports on the situation in the assembly. We did not provide extensive coverage of the various scenes [in the assembly] to the people of the mainland. However, we truly are concerned about Taiwan's current political chaos. We hope that the Taiwan authorities, including Mr. Li Denghui, will take into account the

overall interest of reunification of the entire Chinese nation, positively respond to our appeal for reunifying the motherland under the "one country, two systems" concept, and initiate without delay the three types of direct exchanges [direct mail exchanges, trade, and air and shipping services]. We also hope that the Taiwan authorities will further ease restrictions on investment in mainland China by Taiwan investors, and we will adopt a cooperative attitude in this respect. We oppose any tendency toward Taiwan independence or one China, one Taiwan.

[Reporter, in English] Premier Li, I am from THE INDEPENDENT in London. I was recently reading an official biography of you that was published last April and I was struck by the opening paragraph which said, and I quote: You have a very good chance of remaining prime minister until 1998. I would like to ask whether you think these chances have been increased or reduced by the events, tragic events of last year, particularly the bloodshed of June. I realize that you will say this is a collective decision, but we like to have some information on your personal feelings and goals. Thank you.

[Li Peng] You are asking a purely speculative question which I find very difficult to answer. My appointment to the current position as the premier was nominated and approved at the First Session of the Seventh NPC which was held in 1988. The tenure is five years. I am telling you this in case you do not remember. I do not think that I myself am extremely capable or that I am very rich in political experience, or that I am completely capable of this job. However, since I was nominated by the people, I will try my best to perform the job. As long as I have the support of the people and the support of the party, I believe I will be able to do a good job at this post. What is more, I think I probably have more confidence now in my ability to do this work well than I did when I first assumed the premiership in March 1988.

As for whether I will be reelected premier again in 1993 at the Eighth NPC, I cannot predict this now. I am afraid that you probably would find it very difficult to predict whether your Prime Minister Thatcher will be nominated prime minister again in the next election, too. I would like to add here in passing that, shortly before this session of the NPC was convened, many newspapers in Hong Kong published a great many speculative reports on personnel changes in China. I think that you probably are asking this question because you have read these speculative reports. However, I can tell everyone here that these speculations are far from accurate. In spite of the fact that Hong Kong seems to be very open and free in this respect, if you completely believe these speculations, I am afraid the conclusions will not necessarily be good, will not necessarily be accurate. I feel I should tell everyone now in a responsible manner that the Chinese leadership, with General Secretary Jiang Zemin as the nucleus, is united and strong, and I believe it commands the support of the Chinese people. So in spite of the difficulties we are now facing, we are sure that we can do a good job in all fields in China.

[Reporter] I am a reporter of the JAPAN TELEVISION NETWORK BROADCASTING COMPANY. The Chinese Government has always said that Tiananmen Square is a square of the people. It has been reported in the Western press that the Chinese Government has issued a circular to the various work units, advising them against going to Tiananmen Square. So, if this is the case, there won't be any wreaths around the Monument to the People's Heroes tomorrow, which is the Qingming Festival. Premier Li, what are your views about this?

[Li Peng] Tiananmen Square is a symbol of not only Beijing, but also the PRC. It is a very solemn place. Here, we hold many state and mass activities. So, it is quite normal for the Beijing Municipality and its public security departments to take all the necessary measures to preserve order in Tiananmen Square on occasions of state activities and other important activities—all those activities involving a lot of people. Of course, Tiananmen Square was thrown into extreme chaos last year at the turn of spring and summer during the turmoil and the counterrevolutionary rebellion. We hope not to see a repeat of that chaos. Nor do the broad masses of Chinese people hope to see a repeat of that chaos at Tiananmen Square. Tomorrow will be the Qingming Festival. According to traditional Chinese culture and customs, it will be an occasion to honor the dead. So, we believe that Tiananmen Square will pass the day in an orderly manner.

[Reporter] I am a reporter of JIEFANGJUN BAO. During the political turmoil last year, some turmoil elitists called on the People's Liberation Army [PLA] to take a neutral position in that struggle in which the fate of the PRC was at stake. However, it is stipulated in the Chinese Constitution that the Armed Forces shoulder the sacred duties of fighting off foreign invasion and protecting the peaceful labor of the Chinese people. Needless to say, the duties consist of two aspects, that is, internationally and domestically. Premier Li, as far as this is concerned, would you please tell us your expectations and demands of the PLA?

[Li Peng] I think what you have said is a correct and comprehensive account of the sacred duties entrusted by the Chinese Constitution to the PLA. I don't have anything new to add. I believe what you have said is correct. [video focuses on a smiling Li Peng, while laughter is heard from among the audience]

[Reporter] I am from TANJUG of Yugoslavia. The Chinese party and government leaders have consistently said that China will continue to deepen the reform and pursue an open policy. I would like to ask Premier Li: What were the most successful economic and political reform measures of the past year? Thank you.

[Li Peng] I am afraid that we cannot say that anything is most successful. That is because we have not started yet, and we have just meted out these measures. It is more precise to say that we have repeated on many occasions that our policy of reform and opening will remain

unchanged and we have said that we would maintain the continuity and stability of our policies. In my report on the work of the government released at the current session of the NPC, specific principles of combining the planned economy with market regulations were put forward, and this is also the direction in which we should exert ourselves. China's economic system is neither an absolute planned economy nor, of course, is it an absolute market economy. What we are trying to do is to combine the advantages of these two kinds of economic molds, that is, we shall make full use of the advantages of a planned economy and also bring into play the initiative of the market economy. Of course, it is not easy to achieve this purpose, and we are still in the experimental stage. We have already put forward five principles, which I will not repeat here. It is our hope that this year, in the course of reform and implementation of these principles, we shall further enrich their contents and make new experiments. Of course, we also hope to achieve more in our policy of opening to the outside world. Obviously, this should not be limited only to developing small- and medium-sized joint ventures, cooperative enterprises, and wholly foreign-owned enterprises. We also hope to bring in big projects. China will create a favorable investment environment for these big projects. As I mentioned just now, we are also trying to develop an entire area. Yangpu is one of those regions, and so are Xiamen and Shanghai's Hudong.

Perhaps, I have to add something. There is the theory that China is now in the initial stage of socialism. In China, the economy is founded on the basis of public ownership. At the same time, however, we also permit the existence of free economic sectors. Households are allowed to do private business. These households will still play a role in China's economy. We are adopting a responsible attitude in dealing with such economic sectors. For example, we support private-business households as long as they engage in lawful operations and pay tax according to the regulations. Now, the State Council has under consideration a plan to allow them to do certain types of wholesale business in addition to retail sales. The vice premier has talked about the question of a sluggish market. Because of the sluggish market many enterprises cannot sell their products if they do not transform their products, readjust their product mix, and improve their product quality. We should make good use of the market regulatory mechanism to encourage these enterprises to work under the current contract responsibility system to readjust their product mix, improve quality, and lower the costs of their products so that they may be competitive on the market.

We should not carry on the old practice that everything is guaranteed by the government. China has a rural population of 800 million. Our economic policy plays a very important role in rural stabilization. In the course of reform and opening to the outside world, China has introduced the system of household contract responsibility, which has led to the development of agricultural production and the improvement of the peasants' living

standard. We believe that such a system is still currently suitable for the vast majority of China's rural areas. However, it seems to be insufficient to have only such a system. It is necessary to further develop it. That is, it is necessary to establish various pre- and post-production service systems. This is because some undertakings can hardly be accomplished by a single household. Examples are water conservancy projects, electric power supply, and supply of crop seeds. These questions can only be solved by the establishment of the service system. So, there is a proposal for the establishment of a rural service system in addition to the contract responsibility system. This service system is called the dual operation system. Is that right, Comrade Tian Jiyun? This is the deepening of the rural reform. I have talked too much, because your question is rather extensive.

[Yao Guang] Three final questions now remain.

[Reporter] I am a reporter from ZHONGGUO RIBAO. I would like to ask Vice Premier Tian a question. Agricultural production has been stagnating in our country over the past few years. Vice Premier Tian, what measures will the central government take to guarantee or promote agricultural production in our country to enable it to advance to a new higher level? Thank you.

[Tian Jiyun] The phenomenon of stagnation in the growth of agricultural production in our country over the past few years was caused by problems existing in our policies and work. I think the situation of stagnation, may I say, has begun to diminish thanks to a number of measures taken by the central government and the local governments, units, and departments at all levels to improve agricultural production in the recent couple of years. We have achieved better harvests in our agricultural production last year. They may be said to have exceeded the record level of the grain output in 1984. If we further stabilize our rural policy, as just mentioned by Premier Li Peng, and keep developing and improving the policy, if we increase our input in agriculture, and in particular, if we make vigorous efforts to advocate scientific and technological activities and spread the measures for promoting such activities, I think it will be entirely possible for us to put an end to the situation of stagnation in agricultural production we have had over the past few years and push it to a new higher level.

[Reporter, speaking in English] I am from REUTER of the UK. My name is (Duncan, Royces Guy Duncan) [previous sentence in Mandarin]. Mr. Li Peng, a year ago too you told us that China was stable. The event from April to June and the absence from the National People's Congress [NPC] of Zhao Ziyang have proved that confidence was perhaps a little misplaced. There are some people in China who believe that Zhao Ziyang is perhaps one of the few people capable of bringing China out of the current difficulties it finds itself in. Can you tell us, please, where is Zhao Ziyang? Is he a free man or is he in prison? Is he in hospital, as has been reported, or is he



healthy? Do you think that there is any possibility that he may make a return to politics in China? Is he still under investigation? Thank you.

[Li Peng] Comrade Zhao Ziyang made the mistake during the turmoil and the rebellion last year of supporting the turmoil and splitting the party. It was quite serious that he made such mistakes at a time when the fate of the country and the party was in serious jeopardy. According to the resolution adopted at the Fourth Plenary Session of the 13th CPC Central Committee, Comrade Zhao Ziyang was removed from his leading post within the party. However, he remains a member of the party. Investigation into his case is still going on. He now lives in Beijing and the government has provided him with good living conditions. I do not believe that there is any problem about his health. He still lives at home and not in prison as you thought. He is still a free man. As regards your question that some Chinese people predict that Zhao Ziyang is likely to return to the Chinese political circle: I do not believe that that is the prediction of the majority of the Chinese people. I am afraid that can only represent your prediction. You are not a Chinese yourself. [Li Peng smiles broadly, as laughter is heard off camera throughout the hall]

[Voice heard off camera] Now the last question.

[Reporter] I am from XINHUA. Premier Li Peng has said that only a clean and honest government can ensure stability, and only a diligent government will bring about development. I would like to ask: What is the government's plan to strengthen honesty in government work?

[Li Peng] First, about the question of honesty in government work, the party and government are both attaching great importance to this. Many measures were decided on at the Sixth Plenary Session of the 13th CPC Central Committee. Many ideas were raised also during this NPC session. We accept these ideas made by the NPC deputies and will strive to do a good job in promoting a clean and honest government. As for the subject of diligent government, I think ... [Li Peng changes thought] I just want to make one single remark to express one single idea: that is, we are now launching a campaign to learn from Lei Feng. During the campaign we will learn from the spirit, the substance of the Lei Feng spirit instead of just going through the motions. The substance of the spirit of Lei Feng is to serve the people heart and soul. I think all government functionaries, including leaders of governments at various levels, should plunge themselves into this campaign to learn from Lei Feng.

[Yao Guang] This is the end of the press conference. Thank you all.

#### Further on Closing Ceremony

OW0504052490 Beijing XINHUA Domestic Service  
in Chinese 1038 GMT 4 Apr 90

[Text] Beijing, 4 Apr (XINHUA)—The 16-day Third Session of the Seventh National People's Congress

[NPC] came to a close at the Great Hall of the People this afternoon after adopting various resolutions and successfully finishing its agenda.

The session called on the people of all nationalities throughout the country to, under the leadership of the party, strengthen their spirit; work with one heart and one mind; rely on their own efforts; strive to achieve further political, economic, and social stability and development in the country; and continue their advance with full confidence along the socialist road with Chinese characteristics.

The Great Hall of the People was permeated with an atmosphere of unity and joy.

Seated in the front row of the rostrum were executive chairmen of the session: Wan Li, Xi Zhongxun, Peng Chong, Ngapoi Ngawang Jigme, Seypidin Aze, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, Ni Zhifu, Chen Muhua, Fei Xiaotong, Sun Qimeng, Lei Jieqiong, and Wang Hanbin.

Present on the rostrum were Comrades Jiang Zemin, Yang Shangkun, Li Peng, Qiao Shi, Yao Yilin, Song Ping, and Li Ruihuan.

At 1500, Wan Li, executive chairman of the session, announced that the deputies attending today's meeting numbered 2,713 forming a quorum.

The session adopted a resolution on the government work report, a resolution on implementation of the 1989 plan for national economic and social development and the 1990 plan for national economic and social development, and a resolution on implementation of the 1989 state budget and the 1990 state budget.

After a Presidium meeting approved a report by the NPC Law Committee on the examination of the draft Basic Law of the Hong Kong Special Administrative Region [HKSAR], the draft basic law, three appendixes, and the draft designs of the flag and emblem of the region, the delegations of deputies discussed them and agreed that they be put to vote at the NPC session. Today's session adopted the Basic Law of the HKSAR of the PRC, including the three appendixes and the designs of the region's flag and emblem.

When Wan Li announced that the session had adopted the Basic Law of the HKSAR of the PRC, prolonged applause broke out in the hall.

A Presidium meeting adopted draft decisions on the establishment of the HKSAR; on the method for establishing its first government and legislative council; on approving the proposal by the HKSAR Basic Law Drafting Committee for establishing the HKSAR Basic Law Committee under the NPC Standing Committee; and on the Basic Law of the HKSAR of the PRC. The delegations of deputies then discussed the draft decisions and generally agreed that they be put to vote at the NPC session. Today's session adopted the four decisions.

A Presidium meeting adopted a report by the NPC Law Committee on the examination of the revised draft of the Law of the People's Republic of China on Chinese-Foreign Joint Ventures and a draft decision by the Third Session of the Seventh NPC on amending this law. The delegations of deputies then discussed the report and the draft decision and agreed that they be put to vote at the NPC session. Today's session approved the decision on amending the Law of the People's Republic of China on Chinese-Foreign Joint Ventures.

The session also adopted resolutions on reports on the work of the NPC Standing Committee, the work of the Supreme People's Court, and the work of the Supreme People's Procuratorate.

On a proposal by Chairman Jiang Zemin of the PRC Central Military Commission, the session decided by vote to appoint Liu Huaqing vice chairman of the PRC Central Military Commission and to remove Hong Xuezhi from his position as member of the PRC Central Military Commission.

The PRC Central Military Commission is now composed of the following personnel: Jiang Zemin, chairman; Yang Shangkun and Liu Huaqing, vice chairmen; and Yang Baibing, Qin Jiwei, Chi Haotian, and Zhao Nanqi, members of the commission.

In accordance with the NPC Organic Law, He Jingzhi requested to resign his membership of the Seventh NPC Standing Committee because he had taken up a job with an administrative organ. Wu Juetian requested to resign his membership of the Seventh NPC Standing Committee for health reasons. The session adopted a decision affirming the decisions of the ninth and 13th meetings of the Seventh NPC Standing Committee to accept the requests by He Jingzhi and Wu Juetian to resign.

The 14-item agenda of the session was completed at 1607. Wan Li then declared the Third Session of the Seventh NPC closed. At this time, all rose to their feet, and a military band played the national anthem. [as received; XINHUA English version reports playing of "Internationale"]

Also seated on the rostrum were Tian Jiyun, Li Tieying, Li Ximing, Wu Xueqian, Qin Jiwei, Ding Guangen, Bo Yibo, Song Renqiong, Liu Huaqing, Yang Baibing, Wen Jiabao, Wang Bingqian, Wang Fang, Zou Jiahua, Li Guixian, Chen Xitong, Chen Junsheng, Ren Jianxin, Liu Fuzhi, Wang Renzhong, Fang Yi, Gu Mu, Yang Jingren, Wang Guangying, Zhao Puchu, Qu Wu, Ma Wenrui, Hu Sheng, Sun Xiaocun, Cheng Siyuan, Qian Zhengying, Su Buqing, Ismail Amat, Hou Jingru, Ding Guangxun, and Hong Xuezhi.

Responsible persons of party, government, and military leading bodies at the central level, as well as responsible persons of various democratic parties and mass organizations, attended the session as observers.

Diplomatic envoys to China were visitors at the session.

## Beijing TV on Closing

OW0504045690

[Editorial report] Beijing Television Service in Mandarin at 1100 GMT on 4 April, in its regular "National News Hookup" program, carries a 9-minute recorded video report of the closing of the Third Session of the Seventh National People's Congress [NPC] in the Great Hall of the People in Beijing on the afternoon of 4 April.

The report begins with a pan shot of the brightly lit, fully packed hall, followed by medium shots of Wan Li, chairman of the NPC Standing Committee, walking to his seat on the first row of the rostrum and of Jiang Zemin, Yang Shangkun, and Li Peng walking to their respective seats on the second row.

According to the announcer, "Wan Li, Xi Zhongxun, Peng Chong, Ngapoi Ngawang-jigme, Seypidin Aizezi, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, Ni Zhifu, Chen Muhua, Fei Xiaotong, Sun Qimeng, Lei Jieqiong, and Wang Hanbin, executive chairmen of the session, were seated on the first row of the rostrum. Jiang Zemin, Yang Shangkun, Li Peng, Qiao Shi, Yao Yilin, Song Ping, and Li Ruihuan, party and state leaders, attended the session. Using a voting machine, the session approved various resolutions, decisions, and appointments and dismissals. A total of 2,713 deputies attended the closing session. Wan Li, executive chairman, presided over the session. The session first adopted a resolution on the government work report."

As the announcer introduces the resolution on the work of the government and other resolutions and decisions adopted at the session, the camera alternates between closeup shots of Wan Li reading from a script and medium shots of leaders seated on the rostrum and of deputies seated in the hall facing the rostrum. The camera also shows closeup shots of party and state leaders seated on the second row. As it pans from left to right, it shows Jiang Zemin, Yang Shangkun, Li Peng, Qiao Shi, Song Ping, Li Ruihuan, and Qin Jiwei; and as it pans from right to left, Yao Yilin, Tian Jiyun, Li Ximing, Wu Xueqian, and Ding Guangen, in that order. Between Jiang Zemin and Yang Shangkun, one seat is seen vacant, and the Chinese characters "Deng Xiaoping" are seen on the nameplate. Also the seat between Tian Jiyun and Li Ximing is seen vacant, with Li Tieying's name appearing on the nameplate.

The video report concludes with Wan Li declaring the Third Session of the Seventh NPC closed, followed by the playing of the Chinese national anthem.

## RENMIN RIBAO Editorial

OW0404202490 Beijing XINHUA Domestic Service in Chinese 1615 GMT 4 Apr 90

[\*RENMIN RIBAO 5 April Editorial: 'The Country Will Enjoy Prosperity and the People Will Live in Peace

When There Is Stable Development—Greeting the Closure of the Third Session of the Seventh National People's Congress and the Third Session of the National Committee of the Chinese People's Political Consultative Conference"]

[Text] Beijing, 4 Apr (XINHUA)—The Third Session of the Seventh National People's Congress [NPC] closed victoriously yesterday [4 April]. The Third Session of the National Committee of the Chinese People's Political Consultative Conference [CPPCC] closed on 29 March.

According to its agenda, the Third Session of the Seventh NPC examined and approved the government work report and other reports and set the cardinal principles for all projects in 1990. It examined and accepted Deng Xiaoping's request to resign from the post of the PRC Central Military Commission, elected Jiang Zemin as the chairman of the PRC Central Military Commission, and determined the other personnel forming the Central Military Commission. It also examined and approved the "Basic Law of the PRC Hong Kong Special Administrative Region," thus realizing the great concept of "one country, two systems" through the drawing up of a basic law of the state. And it examined and approved the "Amendment to the PRC Law Governing Sino-Foreign Joint Ventures," thus providing a legal basis for further opening up the country to the outside world. The Third Session of the CPPCC National Committee also victoriously accomplished all topics on its agenda. Thanks to the efforts jointly exerted by all NPC deputies and CPPCC National Committee members, the two meetings, held in the first spring of the 1990's, were a success. They were democratic and victorious meetings which rallied the people to aim high.

The theme of the just-concluded NPC and CPPCC National Committee sessions is to bring about greater political, economic, and social stability in China. The NPC deputies and CPPCC National Committee members highly evaluated Premier Li Peng's government work report, maintaining that it is an inspiring report that seeks truth from facts. Premier Li Peng points out in the report that the general guideline for government work in 1990 is: Firmly adhere to the CPC's basic line for the initial stage of socialism; firmly consider economic construction as the central project; firmly adhere to the four cardinal principles; firmly carry out reform and opening up to the outside world; mobilize all positive factors; and rally people of all nationalities in the country to work with higher morale and strive to expedite economic retrenchment, deepen reform, and achieve even greater political, economic, and social stability in the country. Under this guideline, he set forth 10 projects to be accomplished by governments at various levels in 1990. The NPC deputies and CPPCC National Committee members maintained that the guideline and projects, as well as the whole series of major measures set forth in the report, are very important and realistic, and that China will certainly enjoy

greater political, economic, and social stability if the requirements set forth in the report are earnestly carried out.

In China today, stability has popular support and the people want stability; also, development has popular support and the people want development. Some NPC deputies and CPPCC National Committee members pointed out that it is very necessary to promote a correct outlook with regard to stability and development. If we pursue "stability" without regard to development, economic development and other construction projects will come to a halt, and stability will eventually be undermined. This is not what we want. On the other hand, if we pursue "development" without regard to stability, there will be social unrest and no development to speak of, and this is also not what we want. We are proponents of dialectical unity between stability and development. The kind of stability we want is the kind of stability that can facilitate development, and the kind of development we want is the kind of development that can promote stability. The party line of building a Chinese-style socialist society is a line that can ensure stable development in our country. Making an all-out effort to uphold this line will bring about stable development, and deviation from this line will obstruct stable development. Thus, on the basis of the great, historic victories that we have already achieved, we must heighten spirit, continue to work hard, and make new efforts to ensure stable development in China.

Political stability is the prerequisite for stable social development as a whole. The political storm last year has once again taught us the lesson that once our country is beset with upheavals the life of the entire society will be disrupted and our construction, reform, work, and study cannot proceed normally. Thus, to ensure China's political stability, we must maintain the stability and continuity of basic principles and policies, and the most important requirement is to further integrate adherence to the four cardinal principles with reform and opening up. We must energetically intensify and improve ideological and political work, and thoroughly educate the people on the need to uphold the four cardinal principles and oppose bourgeois liberalization so that each and every citizen will take the initiative to safeguard political stability and unity, which are not come by easily. We must continue to develop socialist democracy and improve the socialist legal system so that the restructuring of the political system can continue. We must also give full scope to the functions of our state's apparatus for exercising dictatorship, maintain sharp vigilance against and promptly smash the infiltration and subversion carried out by foreign and external hostile forces, and crack down on the sabotage activities carried out by hostile elements and other felons at home in order to maintain social stability. While continuing to expedite material construction, we must continue to make efforts to intensify socialist spiritual construction and train new, socialist-minded people who have noble ideals and a high sense of morality and discipline, and who are



properly educated. When the vast number of people have a higher political consciousness and a higher sense of responsibility toward their society's stable development, political stability will have a more broadly-based and more effective guarantee.

Stable economic development is the foundation of social stability. One very important reason why the extremely small number of people failed to achieve their scheme of overthrowing the CPC leadership and subverting the socialist system last year can be attributed to the enormous economic successes we have achieved during the last decade and the conspicuous improvement of the people's livelihood. The vast number of people deeply realize from their personal experiences that the CPC is a good party, the socialist system is a good system, and the line set by the Third Plenary Session of the 11th CPC Central Committee is a good line; therefore, they refuse to believe the nonsense of bourgeois liberalization. These experiences are extremely precious. From now on, we must continue to regard economic construction as the central task and concentrate our efforts on boosting our economic development. The requirement that economic construction should be regarded as the central task has run through the government work report, and the 10 projects to be accomplished this year are the embodiment of this requirement. Steady agricultural development is the foundation of steady economic development. While upholding the principle of carrying out economic retrenchment and deepening reform, governments at all levels must make genuine efforts to place agriculture before all other economic projects and make concerted efforts to boost agricultural production. To further control inflation, we should continue to curtail the size of investment in capital construction and the excessive growth of consumption funds. We should seize the current opportunities to restructure the economic system; make great efforts to achieve greater economic results; and maintain an appropriate industrial growth in order to bring about sustained, steady, and coordinated economic development.

The efforts exerted by party and government organs at all levels to promote administrative honesty, improve their conduct, and forge close ties with the masses are of major significance for China's stable development. The people are the source of our strength and the root of our victories, and they are the strength which our country must count on in order to achieve steady development. What can our party and government depend on in order to win the people's wholehearted support and create a strong coherent and centripetal force? We must depend on correct lines, on using people who are honest and competent, on clean and honest administration, and on wholehearted service for the people. Following the convocation of the Fourth Plenary Session of the 13th CPC Central Committee, the CPC Central Committee and the State Council have taken a series of resolute measures and waged thoroughgoing struggles against corruption and for the promotion of honest and clean administration, thus winning warm support from people

throughout the country. During the just-concluded NPC and CPPCC National Committee sessions, issues relevant to punishing corrupt personnel and promoting administrative honesty were of great concern among NPC deputies and CPPCC National Committee members. They maintained that these issues are vital for the prosperity or decline of the party and the state, and said that the more resolute and successful the efforts exerted in this area, the more the state's long-term stability, peace, and steady development will be ensured. Therefore, they urged all leading organs to make thoroughgoing and sustained efforts to promote this endeavor, which enjoys extensive popular support and which is greatly beneficial to the socialist cause.

The NPC and all local people's congresses and the CPPCC National Committee and all local CPPCC organs shoulder great responsibilities of promoting political, economic, and social stability in China. The NPC is the highest organ of state power. Enacting the Constitution and laws; supervising their enforcement; making major decisions relevant to state affairs; and supervising the operation of the administrative, judicial, and procuratorial organs are the sacred responsibilities of the NPC. CPPCC organs are patriotic united front organizations led by the CPC. Taking part in political consultations and providing democratic supervision are their major duties, and it is a glorious tradition of CPPCC organs to "establish long-term coexistence with the CPC, exchanging mutual supervision with it, showing utter devotion to it, and sharing weal and woe with it." People's congresses and CPPCC organs played a significant role during last year's political storm. During the just-concluded sessions, the NPC examined and approved a series of important reports, laws, and resolutions, and the CPPCC National Committee discussed a series of important reports and draft laws and came up with a political resolution and other resolutions, making new contributions to achieving more stable development in the country. Following the continuous improvement of the people's congress system, the CPC-led multiparty cooperation system, and the political consultative system, and following the establishment and improvement of the system of making decisions and exercising supervision through democratic procedures, people's congresses and CPPCC organs certainly will play a more significant role in China's stable development.

This year is the first year of the 1990's, and a year in which efforts have to be made to assault the hard issues relevant to economic retrenchment and reform. The missions confronting the people of all nationalities are difficult and formidable. To achieve the strategic goal of redoubling the gross national output and help the people achieve a comparatively comfortable life by the end of this century, development this year must be stable. It must also be stable next year, the year after that, and all the remaining years of the 1990's. The Chinese people have had enough unrest. Our country's affluence and strength, and the people's happiness, are all tied to stable development. Let us rally together and fight with one

heart and one mind to make 1990 a good year to initiate a sustained and stable development of the 1990's as a whole.

### Column Views NPC, CPPCC Sessions

HK0504021990 Hong Kong LIAOWANG OVERSEAS  
EDITION in Chinese No. 13, 26 Mar 90 p 1

["Letter from Beijing" by Bao Xin (7637 0207): "A Year Since the Last 'Two Sessions'"]

[Text] 18 March

My Brother:

Do you still remember? One year ago, it was on Sunday before the Sessions of the National People's Congress [NPC] and Chinese People's Political Consultative Conference [CPPCC] National Committee were held that I wrote a letter to you, dwelling on the scene that people went sightseeing, took photos, and flew kites in the Tiananmen Square, carefree and content.

Today, it is also a sunny and breezy day. The Third Session of the Seventh CPPCC National Committee is ceremoniously opening again in the sublime Great Hall of the People. People in the square are still bustling about, talking cheerfully and smilingly, going sightseeing, taking photos, and flying kites and appear to be more than last year in number.

Judging from the present scene, who can believe that in the year that has just elapsed, an earthshaking political trouble occurred here. How cheerful, harmonious, and peaceful it is now!

Last year, what a stern test and steeling the sacred Tiananmen Square and great capital Beijing stood in the course of the baptism of blood and fire!

Last year, what difficulties socialist PRC overcame and what a brilliant victory it won!

Everyone knows that in 1989, China's economic construction was confronted with a complicated and grim situation. Having gone through a soul-stirring struggle, the government has faced extremely arduous tasks. It must first maintain political stability, social stability, and economic stability throughout the country; at the same time, it must resist foreign sanctions and all pressures and continue to adhere to opening to the outside world. In addition, it must adhere to improvement of the economic environment and rectification of economic order, further deepen reform, restrain currency inflation, avoid economic decline, and gradually make the economy develop in a continuous, steady, and coordinated way. How much the hostile forces at home and abroad hope that China will be bogged down in all-round political and economic crises and how much they wish the CPC and its government downfall in a serious social turmoil!

What are the facts? China's economy not only has not collapsed but conversely, has taken a turn for the better. Please read the following figures:

The gross agricultural output value records an increase of 3.3 percent and output of grain reaches 407.5 million tons, breaking the highest record in the past; the increase in the ratio between industry and agriculture has been readjusted from 5.33:1 to 2.4:1.

The demands on investment have been brought under control and the investment in fixed assets reduced by approximately 50 billion yuan.

The contradictions between aggregate social supply and aggregate social demand have been mitigated and the differential rate between supply and demand reduced from 16.2 percent to 8 percent.

The upward trend of prices has weakened month by month and the general level of prices dropped from 18.5 percent to 17.8 percent.

Paper money of 21 billion yuan has been issued and the paper money issued is 19 billion yuan less than as planned (68 billion yuan in 1989).

All this shows that the phenomenon of overheated economy that it was hard to resolve for many years has cooled down, the upward trend of consumption demand has slowed down, the phenomenon of the irrational investment structure has changed, continuous and excessively high industrial growth begins tending toward a relatively rational level, and the scale of bank loans and money supply have been brought under effective control. I remember that in March last year, I wrote a letter to you, saying that people had universally been worried about the price hike. However, such tense feelings on the mainland is, as it were, eliminated to a relatively great extent.

Prior to last year's NPC Session, I talked with several common people in the Tiananmen Square, asking them what they expected of the NPC Session and they almost had a common desire, which was that the Session could solve the practical questions. What has been the situation over the past one year? It should be said that the people's will has partially come true. For instance, some figures enumerated above show that some practical questions have been solved in the macro aspects and some practical questions that are directly related to the masses' personal interests (like price hike and so on) have also been mitigated. Moreover, such hideous phenomena as corruption; manipulation of power for personal ends; dereliction of duty; pornographic books, publications, and audio and video tapes physically and mentally poisoning people (especially young people and juveniles); prostitution and visiting prostitutes; and abduction of women, with which people are most concerned, have changed at different degrees after concentrated improvement of the economic environment for some time so that the social environment and general mood can be further purified. In particular, the activities

of "wiping out pornography" and "eliminating six vices" began shortly after the "4 June" incident and not only a large number of people who took a wrong step in life have been redeemed, many families that were on the brink of breaking up preserved, many women and children who were abducted saved, and the dregs of society that were accumulated for many years eradicated but also the cultural and ideological realms have taken a new favorable turn which is conducive to social stability and penetrating progress in reform and opening up.

Last year, despite all sorts of difficulties and obstacles, the Chinese Government scored achievements in all aspects; this was not easy! Of course, I think that we cannot overestimate this, nor can we be complacent and conservative. Every Chinese has clearly known that many questions that have long puzzled people have not been basically solved and that people are still confronted with a fairly grim situation.

In the Tiananmen Square, I again interviewed some people—old, middle-aged, or young—who nearly said with one voice that the bitter lesson in May and June last year forever warranted learning. The experiences of the changes in the international situation and of the radical changes in some countries are worth drawing on. There should be no more turmoil in Beijing and China! If the Chinese people want to lead a good life, they can only do their work well in a down-to-earth manner and promote economic construction.

Yours faithfully,

Bao Xin [signed]

#### **Tiananmen Square Reportedly 'Sealed Off' by Police**

*HK0504104690 Hong Kong AFP in English  
1026 GMT 5 Apr 90*

[Text] Beijing, April 5 (AFP)—Thousands of police and militia were mobilised Thursday to seal off Tiananmen Square and check people visiting cemeteries as part of the Festival of the Dead, which Premier Li Peng had predicted Wednesday would pass without incident.

As on the previous Sunday, police were deployed to ensure there were no incidents in the square, the focal point of last year's pro-democracy protests between April and June, and to ensure that the official line that everything was stable in China was maintained.

Authorities were concerned by a new call to commemorate those killed by the army in its crackdown on the democracy protests June 3 to 4 with a silent "walk" in the giant square on the occasion of the Qing Ming festival when Chinese traditionally honour their dead by visiting their graves.

A leaflet had appeared secretly Wednesday at Beijing's Beida university, the cradle of the pro-democracy movement, placed under students' beds, in their letter boxes

and slipped between the pages of library books calling on them to remember the "martyrs" who "preferred death to submission."

Written in the form of a poem, the flyer also denounced China's leadership who "for their personal profit have cut themselves off from the people and are acting like despots."

"Not only can we not visit the graves ... but we are also forbidden to cry ... We can pretend to be deaf and dumb but we will maintain our dignity," it said and called on people to lay white flowers, a traditional sign of mourning, around the city as a silent protest.

But the tract was expected to do little to dispel the apathy in universities which are under tight surveillance and bombarded with propaganda as well as being filled with informants.

As rumours of a protest grew the students took on the air of conspirators to whisper that the situation was not ripe and the police presence too prominent.

As last Sunday, Tiananmen Square was sealed off early Thursday under the pretext of official celebrations, in this case by thousands of young pioneers, the communist version of the scouts movement, a diplomat said.

Each wearing a red scarf, the youngsters drilled in the square for hours as martial music blared from loudspeakers and police kept journalists and onlookers at a distance.

In some cases police confiscated film and searched suspects and a Chinese journalist, apparently warned by his superiors, kept his distance from his foreign colleagues.

Cyclists slowed just long enough in front of the Forbidden City to glance at the square before moving on, but the police were quick to prevent anyone actually stopping.

At Babaoshan cemetery, closely guarded like the rest, only those people who had lost a relative in the previous year were allowed to visit the graves, to perform the traditional ceremony of cleaning the grave site and burning incense and white paper.

Militia, identifiable by their red armbands, kept a close watch on the mourners, checking their permits.

"It's the first time since 1976 that Beijing residents have not been allowed to honour their dead," a Western diplomat said in a reference to April 5, 1976 when riots broke out as hundreds of thousands of people paid their respects to premier Zhou Enlai who died three months earlier.

Although Thursday was apparently calm there remain at least six more occasions between now and June 4 which might prompt people to remember the victims of the military crackdown.



### Commentator Praises Cadre Recruitment Effort

HK2303060990 Beijing RENMIN RIBAO in Chinese  
11 Mar 90 p 1

[Commentator's Article: "An Important Channel for Selecting Cadres"]

[Text] The modernization drive of our country requires large numbers of worthy cadres. Selecting cadres through a variety of channels to ensure a constant supply of fresh blood for the cadre ranks is an issue of great importance. The story in our newspaper today on the Anshan Iron and Steel Company recruiting cadres from among workers is enlightening.

After entering this new historical period, the party Central Committee has done a lot of work on making the rank of cadres more revolutionary, younger in average age, better educated, and more professionally competent and has attained great achievements. A large number of cadres in their prime with both ability and political integrity have taken up leading posts at various levels. In particular, the long-standing "Left" deviation of discriminating against and holding down intellectuals has been redressed, which makes it possible for many fine intellectuals to take up leading posts. This is absolutely correct and should be carried forward in the future. The policy on the "four transformations" of the cadre ranks and the party policy toward intellectuals will not change. However, while correcting a wrong tendency, some areas and units have developed another wrong tendency. This is manifested in two respects: On the one hand, paying attention to being more educated and more professionally competent at the expense of being revolutionary; on the other, giving exclusive priority to intellectuals in cadre selection while ignoring workers, peasants, and other people working at the grass-roots level. Formerly this tendency was also present in the Anshan Iron and Steel Company. They only looked for cadre candidates from among university or polytechnic graduates and ex-servicemen and ignored selecting cadres from workers and other people doing practical work. Some even practiced "diplomaism," judging candidates only by their diplomas and rigidly following rules and stereotyped formulae. The result was undeserved promotions, an unfair withholding of promotion opportunities, the erroneous use of some people, and a waste of some others. Anshan quickly departed from this practice. They gave more thought to recruiting cadres from among the workers in the light of the practical situation. They found that this did not contradict, but in fact conformed to the policy of "four transformations" of the cadre ranks, and they derived this idea from their all-round comprehension and correct implementation of the policy. For example, prominence should naturally be given to making the rank of cadres more educated and more professionally competent. Generally speaking, those comrades who are adequately educated and have diplomas are more educated and professionally competent. However, they should not be equated in a simplistic way. Some comrades who have had adequate education

and hold diplomas find it hard to cope with leadership affairs competently, as they have not truly mastered what they have learned or integrated their book knowledge with practice; whereas some comrades who are undereducated and do not have diplomas have enhanced their ability to solve practical problems through long practice and assiduous self-education and are enjoying high prestige among the masses. These comrades, once promoted, will also be competent in leading posts.

To fill the leading posts in large modernized enterprises, the selection of cadres should be made among those who are faithful to the socialist cause and have both practical experience and adequate education and professional knowledge. The Anshan Iron and Steel Company pays special attention to the training of workers with practical experience and helps them raise their educational and professional level. This is something commendable. In the meanwhile, they do not discriminate against or hold down intellectuals. Instead, they lay stress on intellectuals' integration with workers and peasants, and the integration between book knowledge and practical work. Young intellectuals who are fresh from schools should be encouraged to merge themselves with the masses and temper themselves in practice. Practice is a required course, and a good performance in this course will benefit one in both ability and ideology. Through this, one will be able to build up profound feelings for the broad masses, acquire a good understanding of the national situation, and genuinely turn oneself into a useful person.

Our cause needs thousands upon thousands of excellent cadres to fill the leading posts in party and government organs; in industrial, agricultural, military, diplomatic, scientific, and educational establishments; and in all other fields and professions. The pace of socialist modernization is in a sense determined by the quality of cadres. "For truly great men look to this age alone." Broaden our horizons and select people of ability without sticking to fixed patterns, then our cadre ranks will grow with full vitality and there will be no lack of successors to carry on the revolutionary cause.

### Ren Jianxin Views Juvenile Tribunals

OW0204175790 Beijing XINHUA in English  
1545 GMT 2 Apr 90

["Chinese Judges Pilot Juvenile Law"—XINHUA headline]

[Text] Shanghai, April 2 (XINHUA)—China has set up nearly 500 juvenile tribunals, which have piloted special judicial procedures for the trial of juvenile criminal cases and contributed to national efforts to control criminal activities, according to judges here.

Ren Jianxin, president of the Supreme People's Court, called the juvenile tribunals "an important reform of China's criminal judicial system." Legal experts say they are the beginning of China's juvenile judicial system.



The first juvenile tribunal was set up in late 1984 by the Changning District People's Court in Shanghai.

The impulse for the establishment of juvenile tribunals was the rise of the juvenile delinquency rate since 1980, the increase in recidivism due to improper penalties as well as the development of juvenile judicial systems abroad, especially after the United Nations meeting on juvenile judiciary held in May 1984, judges here said.

Zhang Zhengfu, a judge of the Changning District Court, said they have noted the special thinking and actions of juvenile criminals for years. "If we adopt similar procedures and forms in the trial of juvenile criminals, there might be psychological barriers and the results might be poor."

Though China's criminal law and law of criminal procedures have provisions on different treatment for adult and juvenile criminals, the court, without a juvenile tribunal, would not pay enough attention to juvenile wrongdoers in practice, Zhang said.

"The establishment of juvenile tribunals means that the problem should be probed from a new angle in trial methods, organization and the training of judges," Zhang Zhengfu said.

By the end of last year, the juvenile tribunal of the Changning District Bureau settled more than 60 cases and sentenced 80 juvenile criminals. None appealed to a higher court and the recidivism rate was much lower than average, indicating the handling of the cases and the social effects were satisfactory.

Zuo Yan, a 30-year-old judge and head of the juvenile tribunal, said: "Following the law, the juvenile tribunal stresses education and reform of juvenile wrongdoers, helping them distinguish right from wrong, inspiring their consciences to remedy their wrongdoings and finally preventing and reducing juvenile delinquency."

The judge was considered qualified for the job because of her background in education and juvenile psychology. Other judges and members of the juvenile tribunal are now required to have similar knowledge.

During a recent trial in the Changning District Court, the reporter noticed that the judge spoke mildly with the defendant instead of in a stern, severe manner.

"The mild manner will help alleviate the fear, strain and worries of the young defendants as well as educate them during the trial," Zuo Yan said.

Investigation to clarify the background, motives and character of the delinquents is important work for judges of the juvenile tribunal. "Juvenile investigations surpass the range of investigations for adult cases because we should understand many factors of the delinquency, such as the growth process, ethics and morality, intelligence, character, mental condition, relations among family members and their relations with others."

Though the work load is several times that of an adult case, Zuo Yan said it is worthwhile.

"We may come across a juvenile delinquent who considers himself an outcast or a 'little lord.' The key is to find a proper point for education," she said.

"Maternal love is a useful means of education," she said. When a juvenile robber learned that his divorced mother had sent him clothing and food, despite her economic difficulties, he was moved to tears and expressed his determination to mend his ways. After his release, the boy found work in a factory and continued his high school studies in his spare time. He plans to go on for further study when he finishes his high school courses.

Thorough investigation has also helped the judges set up ties between the court and families.

The judges of the juvenile tribunal are also required to visit the young prisoners to help them mend their ways. When a judge learned the parents of a young prisoner no longer wanted him, the judge wrote four letters, persuading the parents to resume their normal visits to their child.

Some young prisoners have become good friends with the judges. One prisoner wrote to the judges: "You have enabled me to feel warmth and see hope. I won't let you down. You will hear good news about me soon." Not long afterward, the boy got high scores on examinations of culture and the legal system.

One principle for handling criminal cases, especially juvenile delinquency, is to stress prevention and comprehensive control by all circles of society. After the establishment of juvenile tribunals in all of Shanghai's 21 district courts two years ago, police, procuratorial departments and lawyers have added personnel specialized in dealing with juvenile cases. This has played an important role in checking the growth of juvenile delinquency.

In 1987, Shanghai has also worked out China's first local decree on the protection of youths and children. Juvenile tribunal judges have disseminated the decree in schools, communities and among the parents of young people.

Juvenile tribunals in other parts of China have also probed these new methods. Juvenile tribunals in Tianjin have established a system of inviting special jurors from educational departments, the Communist Youth League and the Women's Federation. As those people have a good understanding of young people, they have promoted efficiency in investigations, improved the quality of trials and helped control potential wrongdoing, according to Ma Jun, head of the juvenile tribunal of Hexi District Court in Tianjin.

Judges of juvenile tribunals have made great efforts to root out social bias against juvenile delinquents and help them enroll in schools and find employment.

The Supreme People's Court of China has approved and supported efforts made by the juvenile tribunals at the grassroots level.

Educators have also shown great enthusiasm for the establishment of the juvenile judicial system. Xu Jian, deputy director of the Shanghai Institute of Juvenile Delinquency Studies, pointed out: "The establishment of juvenile tribunals is a historical contribution to China's juvenile judicial system. China has already set up work-study education programs, re-education through labor, and is drafting a national law on the protection of young people. In the future, China should further standardize and improve legislation on the system, organization, procedure and other aspects of juvenile tribunals."

### RENMIN RIBAO on Literary Liberalization

HK1903081590 Beijing RENMIN RIBAO in Chinese  
6 Mar 90 p 6

[Article by Li Xifan (2621 1585 0416): "Looking Back on the Past, Gaining a Clear Idea"]

[Text] In my opinion, to study Marxism in China we should still first study Mao Zedong Thought because Mao Zedong Thought is the crystallization of the combination of the universal truth of Marxism-Leninism with the concrete practice of the Chinese revolution. Mao Zedong Thought guided the Chinese revolution to win the victory, and its guiding role should still be brought into play in the future. This point is repeatedly mentioned in the book "Deng Xiaoping on Literature and Art." In 1979, Comrade Deng Xiaoping pointed out in his speech on "Upholding the Four Cardinal Principles" that "Mao Zedong Thought has been the banner of the Chinese revolution. It is and always will be the banner of China's socialist cause and of the antihegemonist cause. In our forward march we will always hold the banner of Mao Zedong Thought high."

In 1981, Comrade Xiaoping quoted Comrade Chen Yun's opinion in a talk "On Opposing Wrong Ideological Tendencies" and said: "Comrade Chen Yun suggested that we encourage study—mainly of philosophy and such philosophical works of Comrade Mao Zedong's as 'On Practice,' 'On Contradiction,' and etc." Comrade Xiaoping held that "this is a fine suggestion, and I think we should launch a study movement." He then explicitly pointed out that "the study should be integrated with study of the history of the Chinese revolution so as to help people understand how the party led the revolution, how Comrade Mao Zedong contributed to it, and how the revolution succeeded."

When calling on us to intensify the study of Marxism, as Comrade Jiang Zemin pointed out in his speech to mark the 40th anniversary of the PRC's founding, the party central leadership required us to "apply Marxism and

the socialist ideology to guide our work in the theoretical, propaganda, educational, journalist, publishing, literature, and art departments, thus occupying the ideological and cultural positions and the public opinion positions."

In my view, in order to implement the central leadership's instruction, we should still carry such ideological weapons as "On Practice" and "On Contradiction" and link them with the history of China's revolution and the current realities through reviewing and rethinking, thus find the orientation of occupying the positions.

We have indeed lost too many positions. In some cases, many opinion positions were simply turned into forums for vilifying Marxism and especially Mao Zedong Thought.

The study of Marxist theory on literature and art and the in-depth study of "Deng Xiaoping on Literature and Art" also require the restudy of Mao Zedong's literature and art thinking, because "Deng Xiaoping on Literature and Art" is a component part of Mao Zedong's literature and art thinking and is the development of Mao Zedong's literature and art thinking in the new period.

Anyone without prejudice will not deny that Mao Zedong's literature and art thinking, especially his speech at the Yanan Forum, constituted the most integrated and most systematic interpretation of the Marxist-Leninist literature and art theory. "Deng Xiaoping on Literature and Art" also resolutely safeguards the basic principles of Mao Zedong's literature and art thinking; of course, it also puts forward new points and new requirements in light of the new situation.

Today, when we talk about "using Marxist theory to guide literary criticism" and "persistently developing Marxist theory on literature and art in the course of practice," we must not separate theory from reality. The current realities are subsequent to the counterrevolutionary rebellion at the turn between spring and summer of last year and subsequent to the rampant spread of bourgeois liberalization in both the political and literary circles, so the purpose of the study should first be to distinguish clearly between right and wrong on ideological and theoretical issues and to eliminate the confusions caused by bourgeois liberalization. This is of special importance on the front of literature and art, because over many years, the liberalist trend in the realm of literature and art kept directly attacking our party's principle and line for literature and art and particularly aimed the spearhead at Mao Zedong's literature and art thinking, which is the theoretical foundation for the party's principle and line for literature and art. They exaggerated Comrade Mao Zedong's mistakes in his late years, including his erroneous instructions on literature and art, in an attempt to totally negate Mao Zedong's literature and art thinking as a whole and even totally negate the history of revolutionary literature and art since the May Fourth period.

Such attacks became extremely intensive at the turn between spring and summer of last year when an unusual chance appeared. Maybe, it was also the month of May. Around the 47th anniversary of Comrade Mao Zedong's speech at the Yanan Forum, the "elites" staged a full-scale offensive in a planned way. WENXUE PINGLUN [LITERARY COMMENTS] published the article "One Should Not Evade History," which was a programmatic model. Then, SHU LIN [BOOKS] also published a batch of articles. One of them was entitled "How Was Damocles' Sword Forged?"; another was entitled "The Predicament of Contemporary Literature and the 'Speech'"; and the third was entitled "Two Short Essays Written After Again Reading the 'Speech at the Yanan Literature and Art Forum.'" TIANJIN WENXUE [TIANJIN LITERATURE] published an article entitled "Modern Literature: Shaking Off the Self-imposed Confinement of Populism and Slavishness." One more article was sent to WENYI YANJIU [STUDY OF LITERATURE AND ART] in order to echo other articles in May, but it was returned by our editorial department.

Did such an event of negating Mao Zedong Thought and the revolutionary literature and art tradition occur accidentally? Certainly not. Was this merely literary and art exploration? Certainly not either. They were attacking Comrade Mao Zedong by name.

They vilified Comrade Mao Zedong by saying that he "equated literature and art to politics" and "his purpose was to turn literature and art into a utilitarian means for the politicians no matter whether he stressed the popularization of literature and art or the orientation of serving workers, peasants, and soldiers."

They said that the party's literature and art principle, after "being diffracted" to the theory on literature and art, became "five swords" on the heads of writers after the founding of the PRC.

They vilified the role of the Yanan Forum speech by describing it as "a farce under the guise of Marxism in China's contemporary culture."

They attacked the speech and said that it embodied a kind of "bureaucracy-oriented literature view," "included the idea of populism," and "advocated literature's servility" in an attempt to turn literature and art into a "slave girl" of politics. Was this a serious discussion on literature and art? The style of these articles bore a striking resemblance to that of the mass criticism articles in the "Cultural Revolution."

They so deeply hated the ties between revolutionary literature and art and revolutionary politics. Did they really try to explore for the detached aesthetic nature of literature and art? They in fact hung up a sheep's head and sold dogmeat. Take the author of "One Should Not Evade History" as an example. He attacked Comrade

Mao Zedong's speech by saying that it "equated literature and art to politics." Then, when he wrote the article and dished out his theory at that time against that background, did he really detach himself from politics?

When he called for "making literature and art independent from politics," did he not also flagrantly call for "the rise of a group of really independent elite thinkers detached from any power group and from its influence"?

Here, he gave the game away. The so-called "power group" of course referred to the leadership of the Communist Party. The rampant spread of the bourgeois liberalization trend in recent years that eventually led to the turmoil and the rebellion at the turn between spring and summer of last year also fully showed that the "group of elite thinkers" had risen and became an antiparty and antisocialist political force that even betrayed the motherland. Moreover, they themselves also attempted to become a "power group" for overthrowing the PRC. However, this was merely a small handful of people, and they were eventually smashed by the people's iron fist!

For the author, who crazily called for the independence of literature and art from politics, all this was precisely the "history that he could not evade" and showed that he in fact attempted to make literature and art antagonistic to the people's revolutionary politics and attempted to establish counterrevolutionary politics of the "elite thinkers." He opposed the "direct involvement" of revolutionary literature and art "for changing the historical course," but his article was published precisely during the rebellion period. Did he not intend to provide opinion support for the "elite thinkers" to overthrow the Communist Party and the so-called "current order" and "current politics" of the PRC?

In recent years, Comrade Mao Zedong and Mao Zedong's literature and art thinking were frequently attacked, distorted, vilified, and smeared by the so-called "elite thinkers." The fundamental reason laid in the fact that Mao Zedong Thought is the implacable enemy of bourgeois liberalization and is a powerful ideological weapon for opposing bourgeois liberalization. Therefore, when we are studying "Deng Xiaoping on Literature and Art" at present, we should first take it as a weapon for thoroughly straightening out the theoretical foundation, restore the genuine features of Mao Zedong's literature and art thinking, and distinguish right from wrong on theoretical issues to which confusion was caused by the "elite thinkers" who advocated bourgeois liberalization. By doing this, we will not only raise our Marxist theoretical attainments and strengthen our study of Marxism, but will also establish a correct attitude in the study by linking theory with practice. At the same time, in my view, this is also a duty for our revolutionary literary and art workers.



## East Region

### Anhui Political, Legal Work Meeting Opens

OW0504004990 Hefei Anhui Provincial Service  
in Mandarin 1100 GMT 29 Mar 90

[By ANHUI RIBAO reporter (Li Chanwen) and station reporter (Zhan Xu)]

[Text] A provincial political and legal work meeting was held in Hefei on 27 March. Centering on the overriding priority of maintaining stability, the main tasks of the meeting included reviewing and summing up the political and legal work throughout the province in 1989, analyzing the current situation and studying the issues of common concern to all in the political and legal work to further seek unity of thinking, and drawing up a plan for the tasks of the political and legal front for this year and for a period of time to come under the guidance of the guidelines of the Fourth, Fifth, and Sixth Plenary Sessions of the 13th CPC Central Committee.

Comrade Wang Shengjun delivered a work report. After summing up the achievements scored by Anhui Province in its political and legal work over the past year, Wang Shengjun said with emphasis: Maintaining stability is the central task that overrides all other considerations at present. Resolutely safeguarding political stability and unity and maintaining overall social stability is the common task for the whole party and the entire society. The destabilizing factors which still exist show us that only by relying on the joint efforts made by the whole party and all the people can we safeguard political stability and unity and maintain overall social stability. Therefore, it is necessary to mobilize the whole party and the entire society to improve our work in every field of endeavor, take every effective measure, and do our utmost to maintain overall stability under the unified leadership of the party committees and governments at all levels.

He said: First of all, it is necessary for the responsible comrades of the party committees and governments at all levels and of all trades and professions to be fully aware of the importance of stability and give top priority to the task of bringing about an overall stability. The task must override all other considerations.

Second, it is necessary to conduct education in the overriding importance of stability among all the classes of the masses. The truth that stability benefits both the country and the people, that turmoil is prejudicial to them both, and that nothing can be achieved without stability must be clearly explained to them. This will allow the overriding importance of stability to become a call by the public opinion, strike root in the hearts of the people, and arouse the vast numbers of cadres and the masses to conscientiously maintain an overall stability.

Third, it is incumbent on the party committees and governments at all levels, all departments, and all quarters to work successfully in conducting the ideological

and political work—which is to be aimed at certain people in particular, to properly handle various social problems, and to eliminate the destabilizing factors, all within a proper time.

Fourth, the principle of "whoever is in charge takes responsibility" must be upheld. It is necessary for the party and government leaders in all fields of endeavor to conscientiously and practically assume responsibility and to strive to solve problems while they are still in the bud among the grassroots units or while they still exist only within a department or region.

Wang Shengjun said: The political and legal organs shoulder an important [words indistinct] in maintaining stability. It is necessary for them to [words indistinct] give play to their role and functions, succeed in handling every task, make full preparations in their organization and measures to preserve public order and ensure stability. They must do well in fulfilling their task of screening companies and investigating economic crimes from start to finish; continue to implement the policy of swiftly dealing with criminal cases and meting out harsh punishment in accordance with the laws; crack down on grave criminal activities; intensively wage the struggle against graft, bribe-taking, and corruption; sternly punish serious economic crimes; step up and improve the work of reforming and reeducating criminals through labor; and employ legal measures to regulate economic relationships in order to contribute to the campaign to improve the economic environment, rectify the economic order, and deepen the reform.

Wang Shengjun said: The political and legal work cannot for one moment be divorced from the masses of people. It is necessary for the political and legal departments to adhere to the policy of integrating their specialized work with the mass line and to arouse the masses and rely on them to maintain public order. Meanwhile, it is necessary for us to make vigorous efforts to build a contingent for the political and legal work and to conscientiously and practically strengthen the leadership of the party over the political and legal work. The party committees at all levels must show more concern for the political and legal work and place it high on their agenda. In addition, it is also necessary for the political and legal departments at all levels to even more conscientiously accept the leadership of the party committees and, with the central task of the party in mind, do an even better job in carrying out the political and legal work.

### Jiangxi Militia Performs Military Maneuver

HK0404155990 Nanchang Jiangxi Provincial Service  
in Mandarin 1100 GMT 2 Apr 90

[Excerpts] [passage omitted] A demonstration military maneuver, performed by technical corps of militiamen of our province, was held this morning at a militia training base in Xinjian County.

The military maneuver was held by the provincial military district. Nine technical elements of the militia from



Nanchang, Ganzhou, Yichun, Shangrao, and Fuzhou Prefectures and Jiujiang City and of the reserve service infantry division of the Nanchang Army Academy gave a demonstration of standardized training in seven items, such as shooting, antichemical warfare, sappers, communication, and reconnaissance, and practiced with live ammunition.

Attending the demonstration military maneuver were (Ma Shichang), Pei Dean, Qian Jiaming, (Wu Yongle), Zhang Chuanshi, (Fei Changan), (Shen Shanwen), (Liu Zhimin), (Chen Lihui), (Li Peiji), (Yang Ningxiong), (Zhang Naigui), and other leaders of the provincial party committee, the provincial people's government, the provincial People's Congress Standing Committee, the provincial Chinese People's Political Consultative Conference Committee, the provincial military district and the Nanchang Army Academy.

Lieutenant General Cuo Tao, deputy commander of the Nanjing Military Region; and Lieutenant Colonel (Liang Guoming) of the General Staff Headquarters of the Chinese People's Liberation Army also watched the military maneuver.

### North Region

#### Beijing Mayor Announces Decreased Birthrate

OW0404141890 Beijing XINHUA in English  
0935 GMT 4 Apr 90

[Text] Beijing, April 4 (XINHUA)—The number of births in Beijing in 1989 was the lowest in the past decade, 13,000 less than in 1988.

Mayor Chen Xitong attributed the decrease to efforts made by family planning workers, at a municipal meeting on family planning which opened Tuesday, according to today's BEIJING DAILY.

However, the mayor noted, the city still faces an uphill task in family planning, especially on its outskirts. "Leadership at all levels must give priority to family planning," he said.

"As the nation's capital, Beijing should take the lead in family planning," the mayor stressed.

Peng Peiyun, minister in charge of the State Family Planning Commission, warned against any slackening in family planning work at the meeting, saying, "We've to do a better job this year."

#### Xing Chongzhi Inspects Hebei's Qinhuangdao City

SK0404133690 Shijiazhuang HEBEI RIBAO  
in Chinese 10 Mar 90 p 1

[Text] Under the wholehearted care of the learn-from-Lei Feng group of CYL [Communist Youth League] members in Haigang District of Qinhuangdao City, Li Jinrong, an old woman of 81 years old, has lived happily for seven years. On 6 March, Xing Chongzhi,

secretary of the provincial party committee, made a special trip to house No. 265 in the new Yaohua housing area to visit this happy childless old woman and saluted the young people who have found it a pleasure to take care of this old woman for seven years.

Comrade Xing Chongzhi fully affirmed Qinhuangdao City's practice of firmly grasping the learn-from-Lei Feng activities during recent years in order to promote improvements in the general mood of society. He also invited representatives of 11 learn-from-Lei Feng advanced units and individuals in the whole city to a forum. Among them were CYL members in their early twenties, grassroots cadres of 40 to 50 years old, workers, and retired cadres above 60 years old. Xing Chongzhi said: Learning from Comrade Lei Feng was initiated by Chairman Mao and other revolutionaries of the older generation. Today, the central leading comrades such as Jiang Zemin have called on us to make continued efforts to promote this fine tradition and to learn from the Lei Feng spirit. We should actively respond to this call, and go into action consciously. Regardless of urban or rural areas, the social stratum, the age, people from the east, west, south or the north, and all trades and professions, should set examples with their own conduct, begin the work now, promote the selfless and dedicated spirit of Lei Feng who found it a pleasure to help other people and who worked hard and lived plainly, and persist in establishing a long-term human relationship of unity and cooperation of a new type. If most people act this way, we will be able to eliminate all unhealthy social practices and promote the vigorous development of the socialist modernization drive.

Xing Chongzhi highly appraised the voluntary services and deeds of more than 1,000 CYL members in Haigang District who have been making endless efforts to take care of family members of servicemen, martyrs, and childless old people for seven years. He said: Haigang District is in the front ranks of the province in holding learn-from-Lei Feng activities. We hope that the party and CYL members in all localities will take the lead in conducting activities on learning-from-Lei Feng and fostering a new work style, strengthen flesh and blood relations with the masses during these activities and make all undertakings of the party and the people thrive.

### Northwest Region

#### Qinghai Discusses Plenum Decision

HK0404153390 Xining Qinghai Provincial Service  
in Mandarin 2300 GMT 31 Mar 90

[Text] On the afternoon of 31 March, the Qinghai Provincial People's Government held its Ninth Plenary Session.

The session was mainly aimed at studying and implementing the spirit of the "Decision" of the Sixth Plenary Session of the 13th CPC Central Committee, planning the work of the Provincial People's Government in the

second quarter of this year, and making preparations for the convocation of the Third Plenary Session of the Seventh Qinghai Provincial People's Congress.

The session was presided over by Bian Yaowu, vice governor of Qinghai, and attended by Jin Jipeng, acting governor of Qinghai, Ma Yuanbiao, vice governor of Qinghai, and responsible persons of various provincial departments.

Comrade Jin Jipeng delivered a speech at the session. He said that Qinghai's agricultural and animal husbandry production have maintained a good momentum this year. Nevertheless, industrial production still faces a great many difficulties. The market is basically stable. Price hikes have been slowed down.

Comrade Jin Jipeng demanded that people's governments at all levels and all departments concerned conscientiously study and implement to the letter the spirit of the "Decision" of the Sixth Plenary Session of the 13th CPC Central Committee, practically improve the work of the people's governments at all levels, and concentrate efforts on the following aspects of work: (1) Go deep into reality to carry out investigations and research in light of the realities in Qinghai; (2) solicit the views of the broad masses of the people and carry out sufficient discussions before making major decisions; (3) cut down on the number of meetings, strengthen coordination and cooperation, and increase work efficiency; (4)

promote the building of clean government and launch serious investigations into cases of embezzlement, corruption, bribery, and seeking private gains by abusing power; (5) continue to strengthen and perfect the democratic supervisory system and people reporting system and increase the transparency of government work.

Comrade Jin Jipeng said that in the second quarter of this year, Qinghai must make redoubled efforts to push ahead with the development of its agricultural and animal husbandry production, give top priority to expanding product sales and invigorating production and operation, carry out the "double increase and double economy" campaign, increase economic results, deepen enterprise reform, maintain social stability, and safeguard social security. Comrade Jin Jipeng called on all comrades to firmly adhere to the principle of maintaining overall stability and called on people's governments at all levels to make every serious attempt to tackle the unemployment problem.

Comrade Jin Jipeng finally said that with the impending convocation of the Third Plenary Session of the Seventh Qinghai Provincial People's Congress, the Qinghai Provincial People's Government and its various departments should make sufficient preparations and improve the work of handling visits and letters from the people so as to ensure the successful convocation of the forthcoming session.

**Kuomintang Mainland Group Views Reunification***HK0304025290 Beijing CHINA DAILY in English  
3 Apr 90 p 1*

[By staff reporter Xie Liangjun]

[Text] The mainland-based Revolutionary Committee of the Kuomintang [RCK]. One of China's eight democratic parties, is playing a role in helping the Central Government map out its policy on Taiwan.

High-ranking sources from the RCK Central Committee told CHINA DAILY the party had made numerous suggestions to the government to facilitate peaceful reunification.

These suggestions focused on how to strengthen economic and trade ties, promote cultural exchanges and receive compatriots from Taiwan, Hong Kong and Macao, as well as overseas Chinese.

The sources said that in facing "drastic changes" in Taiwan at the start of the 1990s, the Chinese mainland should urgently accelerate the process of peaceful reunification.

Effective and timely reactions should be made by the government to answer these changes in Taiwan, they said.

The sources said the party had urged the government to map out in advance a programme of how to carry out the policy of "one country, two systems" in Taiwan after the completion of peaceful reunification.

And the programme could, if necessary, be made public to convince the islanders that it was workable.

The 30,000-member party, which seceded from the Chinese Kuomintang in 1948, has 44 deputies to the National People's Congress, the China's legislative body, and about 120 to the Chinese People's Political Consultative Conference.

The sources said that up to 80 per cent of the party's membership maintained close relations with middle- or top-level sources in political, military and commercial circles in Taiwan.

According to Vice-Chairman Peng Qingyuan, of the party's Central Committee, the RCK planned this year to strengthen contacts with its members' relatives and friends in Taiwan, and invite them to visit the mainland.

**Radio Talk Views Independence Movement***OW0404130790 Beijing in Mandarin to Taiwan  
0205 GMT 2 Apr 90*

[From the "Rambling Talk on Current Events" program]

[Text] For some time, especially since last year, the development of the Taiwan independence force has expanded from overseas to the inside of the island, from underground to openness, from speeches to deeds, and

from society to the political arena because of the indulgence and leniency of the Taiwan authorities. In connection with Taiwan's election during last winter and this spring, the Taiwan independence force on the island has carried out frequent activities and made unbridled speeches with an arrogant bearing. It has openly advocated Taiwan's independence and sovereignty and mutual recognition between Taiwan and China. Moreover, it has ranted on in favor of the formulation of a new constitution, election of a new parliament, and founding of a new country. This is no longer a question concerning freedom of speech.

It is surprising that such things aimed at splitting our state and nation have openly appeared in many radio broadcasts and in many newspapers and periodicals strictly controlled by the Taiwan authorities. The open activities of advocating and spreading these phenomena to make trouble have reached a severe extent with a serious adverse effect on the development of relations across the strait in the 1990's and on the peaceful reunification of the motherland. This is a matter of grave anxiety.

Listeners, I believe that the spread and development of the Taiwan independence force on the island is linked inseparably with support from foreign forces and policies carried out by the Kuomintang, including the anti-communist policy, the policy of contentment with sovereignty over a part of the country, and especially the recent domestic and foreign policies characterized by a splittist tendency. Take the United States as an example. The basic reason that some forces in the United States cannot forget the Taiwan independence movement is unwillingness to see that China is reunified and is growing in strength. This is because if China is reunified and becomes strong, they will be unable to control it. Hence, the United States is playing a double-track ploy in its China policy. On the one hand, it plays the China card in its international strategy. On the other hand, it is bent on delaying China's reunification. It is trying to use the Taiwan independence movement to restrict the Kuomintang authorities on Taiwan and use the Kuomintang authorities to restrict China. This is why some U.S. political forces have spared no efforts during the past four decades to support Taiwan independence activities in one way or another. These include offering the overseas Taiwan independence elements bases, funds, and locations to produce propaganda; supporting through various channels the activities of opposition forces on the island, outside the Kuomintang, who have a splittist tendency; and pressing the Kuomintang authorities to allow these opposition forces to gain some political power to promote democratic politics. Therefore, whenever Taiwan independence activities ran amuck, a turmoil arose, and an election was held on the island, there was a shadow of interference by some U.S. political forces. Our listeners are more clearly aware of this.

For a long time, the Kuomintang has been relying on the United States to survive, content to exercise sovereignty

over a part of the country, and is opposed to reunification. In the last one or two years, the Kuomintang authorities have openly pursued a domestic and foreign policy with a tendency of splittism. Such a policy has provided a suitable environment for the rampancy and development of the Taiwan independence force.

In foreign relations, the Kuomintang authorities spare no efforts to practice a foreign policy of flexible diplomacy and double recognition to free themselves from diplomatic isolation and seek an international status of independent sovereignty. To do so, they disregard national interests and attempt to create a situation of the simultaneous existence of two Chinas.

In relations between the two sides, they still persist in the so-called three-no's policy—a policy of no contact, no negotiations, and no compromise. This policy is known as a B-type of Taiwan independence or an independent Taiwan. With such a policy, they are unable justly and forcefully to refute the views of the Taiwan independence force and stop its development.

Dear listeners, Taiwan independence is a dangerous road. Its purpose is very clear: to separate Taiwan from a unified China. This is something that all Chinese people at home and abroad will not permit. On this fundamental issue, which concerns our national interest, we must not hesitate nor waver. The activities of the Taiwan independence force are indeed the root cause of turmoil, and they can induce and intensify contradictions and disrupt social stability and the people's livelihood on Taiwan. They also provide an opportunity for the external force of aggression. Moreover, the people of the motherland will definitely not sit by and watch the Taiwan independence elements do as they please. In that case, it is inevitable that the harmonious atmosphere existing between the two sides across the Strait over recent years will be jeopardized, and that the relations between the two sides will become tense again.

This shows that the Taiwan independence movement is totally harmful and without any benefit to Taiwan. It not only will disrupt Taiwan's stability and development, but also will bring calamities to Taiwan. It is particularly necessary to point out here that the development of the Taiwan independence force is also a misfortune, not a blessing, to the Kuomintang authorities. Today, the Taiwan independence force has become a factor of instability in Taiwan's society, and is seriously endangering the safety of the Kuomintang authorities.

In last winter's election, many candidates who advocate Taiwan independence were elected and took government office. Of the 32 candidates from the New Nation Alliance that advocates Taiwan independence, eight were elected members of the Legislative Yuan and 12 were elected members of provincial and city councils. Two candidates from the New Trend Faction were elected county magistrates. With those people taking government positions, the Taiwan independence force has become a political force that is openly engaged in a

trial of strength against the Kuomintang authorities. Some enthusiasts of Taiwan independence even set a timetable for achieving Taiwan independence in the next seven to ten years, and predict that the issue of founding a Taiwan state will be settled before the year 2000.

This shows that the struggle between those who advocate reunification and those who advocate Taiwan independence will be intensified day by day in Taiwan in the 1990's. Every bit of the development of the Taiwan independence force will directly yield an extremely serious impact on the stability of Taiwan's political situation and the safety of the Kuomintang authorities. This must not be treated lightly.

### Editorial on Achieving Reunification

HK0404055790 Hong Kong WEN WEI PO in Chinese  
2 Apr 90 p 2

[Editorial: "To Achieve Reunification, It Is Necessary To Clarify the Rights and Wrongs Between Reunification and Independence"]

[Text] The "presidential" election in Taiwan has brought about a series of political disputes. The dispute between reunification and independence, and argument for and against opening up politically have yet to be resolved. In early March, the senior level of Kuomintang [KMT] leadership was subdued by the demands of the masses for reform and abolition of the "three no policy," and Li Teng-hui had to consent to organizing a national affairs discussion meeting, to discuss reform and mainland policy.

However, the exact date for the meeting has been postponed time and again; it was tentatively set in May, but up to now, not even a list of participants is available, and Chiang Yen-shih, who has the duty to organize the national affairs discussion meeting, has changed his tone, saying that time has run out for the meeting before the "president" takes his office. It means it can only be convened in July, during the recession of the Legislative Yuan.

Why, to such extent, must it be stressed that the inauguration of the "president" takes place before the national affairs discussion meeting? It seems that the senior level of the KMT wants to employ the national affairs discussion meeting as a stalling tactic, to silence the voices demanding an adjustment of mainland policy, so as to gain more time to "integrate" party personnel arrangement with government personnel arrangement, stabilizing first the party before dealing with the demands raised by the masses. According to information from the island, Li Teng-hui has agreed to adjusting the decision-making pattern, Li Huan and Lin Yang-kang will continue serving as head of the Executive Yuan and head of the Judicial Yuan, and the cabinet will not change much, so as to maintain personnel stability.

People at the senior level think, as reported by Taiwan newspapers, that the success of the national affairs



discussion meeting and the follow-up projects "can be predicted but there should not be excess optimism." The senior level has to handle the political struggle between the mainstream clique and the non-mainstream clique, resolve disputes, and achieve consensus within the party before the convening of the national affairs discussion meeting.

James C.Y. Soong, secretary general of the KMT, said as quoting instruction from Li Teng-hui, that a consensus within the party must first be established, then a consensus among the whole people will be established.

Considering that political reform will immediately clash with the interests of some people within the party and lead to the possible consequence of expanded disputes, the three major discussion topics of "constitutional system, political reform, national reunification" originally scheduled for discussion at the national affairs discussion meeting have changed, with political reform being gradually removed. Li Teng-hui thinks that the key points should be the constitutional system and relations between both sides across the strait. Lin Yang-kang has begun to earn great trust and important tasks, and has become convener of the group for studying discussion topics. When speaking to reporters, Lin has again placed the topic of relations between both sides across the strait in the first position, indicating that the argument for and against independence and reunification within the party has eased up, can be set aside, and is a topic for compromise.

On 28 March, Chiang Yan-shih, who leaned toward Li Teng-hui during the early period of argument, made a public speech; he said: Some people and media criticized "President" Li for inclining to "independent Taiwan." "President" Li told me that he will not engage in "independent Taiwan," as for "Taiwan independence," there is no hope. Chiang Yan-shih said: The Chinese nation must be integrated, we must look further ahead, in the future, integration will be achieved through consultation and talks, and war will not be fought with mainland China, it is hoped that Chinese people can look further ahead.

However, Chiang Yan-shih explicitly opposed including the issue of reunification and independence for discussion at the national affairs discussion meeting. This attitude is very contradictory. On the one hand, he agreed to consultation and talks with the mainland, disclosing indirectly the giving up of the "three no's policy"; on the other hand, however, he disagreed with the national affairs discussion meeting discussing the issue of reunification and independence, as if trying to leave the practice of "independent Taiwan" and "Taiwan independence" free from criticism. Whether the talks between both sides across the strait will gain any success and conform to the people's will depends on whether the Taiwan authorities will insist on giving up the "independent Taiwan" strategy. If they handle things with the mentality of "independent Taiwan," it is only a change in form but not in content, a disguise to muddle through when answering people's demands, for the sake of reducing criticism from the masses, but the bottom line is not reunification, and it is only a change in posture, conveniently shifting the issue of reunification to management of relations and interactions between both sides across the strait.

Only when the rights and wrongs between reunification and independence are clarified, can a common consensus be achieved in Taiwan, so as to be beneficial to marching toward consultation and reunification. In an earlier period, the open preaching of "Constitution of Republic of Taiwan" was not checked, while the authorities pursued the flexible diplomatic policy of "double recognition," causing great chaos in policy. If the KMT authorities in Taiwan think that these policies are erroneous and unfavorable to reunification, they might as well make a conclusion, to clarify opinion, and to prevent the errors from occurring again in the future. The national affairs discussion meeting should discuss the major rights and wrongs concerning the country's politics, to seek a correct common consensus. The country's reunification is the main topic for the national affairs discussion meeting, and not allowing discussion on the issue of reunification and independence indicates precisely the sense of guilt!

### Trade Surplus With U.S. Narrows in First Quarter

OW0504083590 Taipei CNA in English 1617 GMT  
4 Apr 90

[Text] Taipei, April 4 (CNA)—Republic of China [ROC] efforts to narrow trade surplus are taking effect, declining 34.6 percent or 1.8 million U.S. dollars in the first quarter of 1990.

According to statistics released Wednesday by the Directorate General of Budget, Accounting and Statistics [DGBAS], ROC exports in the first quarter of 1990 totaled 15.25 billion U.S. dollars, growing at an annual rate of 2.1 percent; first quarter imports totaled 3.45 billion U.S. dollars, up 10.4 percent.

DGBAS statistics also showed that the ROC's trade surplus with the United States in the first quarter totaled 1.87 billion U.S. dollars, down 23.3 percent from the same period last year, while the ROC trade deficit with Japan reached 1.71 billion U.S. dollars, up 5.6 percent.

An economics official said that the ROC projected that the trade surplus with the U.S. would decrease about 10 percent annually in coming years.

But the official indicated that the ROC's trade deficit with Japan had been increasing year by year with this year's figure estimated to reach at 8 billion U.S. dollars.

The official said that in addition to the ROC's efforts, Japan should also act to improve the trade imbalance between the two nations.

### Copyrights Negotiator Decides To Stay on Job

OW0404063790 Taipei CNA in English  
0243 GMT 4 Apr 90

[Text] Taipei, April 4 (CNA)—The Republic of China's negotiator in copyrights talks with the United States decided Tuesday to withdraw his resignation and to continue to deal with his tough U.S. counterparts.

Wang Chuan-lu, executive secretary of the Interior Ministry's Copyrights Committee, said in a statement that he had changed his mind and decided to remain on the difficult job because he wanted to prevent the nation's overall interests from being damaged.

Wang, who assumed the post more than five years ago, tendered his resignation to Interior Minister Hsu Shui-teh on March 27, immediately after returning from Washington where the ROC and U.S. negotiators on March 24 concluded another round of copyrights consultations without reaching any agreement.

Wang, the top ROC negotiator in the consultations, blamed the failure of the talks on "unreasonable demands" presented by the U.S. side.

Announcing his resignation at a press conference that day, Wang criticized Washington for its high profile in the talks. But he also urged the Government to pay more

attention to the copyrights issue and called for local publishers and consumers to respect the rights of copyright owners.

Though determined at first, Wang's attitude softened after he met with Fredrick Chien, chairman of the cabinet ad hoc ROC-U.S. trade committee, and Minister Hsu. The two apparently succeeded in persuading Wang, the nation's senior negotiator on copyrights issues, to carry on the difficult tasks with the demanding U.S.

### Vice Premier, Macao Official Discuss Cooperation

OW0504083890 Taipei CNA in English 0247 GMT  
5 Apr 90

[Text] Taipei, April 5 (CNA)—Vice Premier Shih Chi-yang, on behalf of the people and government of the Republic of China, thanked the Macao Government Wednesday for its efforts to promote bilateral relations.

Shih also hoped that economic, trade, business, and travel links between the Republic of China on Taiwan and Macao could be expanded from their current basis.

The vice premier expressed his hope while meeting with Macao Acting Deputy Governor Francisco Nabo at the Executive Yuan Wednesday morning.

Shih, concurrently the convener of the yuan's ad hoc Hong Kong and Macao affairs group, said his task force had paid great attention to Macao's recent development.

Speaking of Macao's position in the years ahead, Shih predicted that Macao, together with Tokyo, was expected to serve as a vital transit place for increasing civilian exchanges between the two sides of the Taiwan straits.

Nabo briefed Shih on the incentives the Macao Government had recently offered to woo investments from Taiwan.

He also hoped local computer makers could join in the program for Macao's "Computer Software Center."

### Kuomintang Committee Proposes Mainland Visits

OW0504082490 Taipei CNA in English 0251 GMT  
5 Apr 90

[Text] Taipei, April 4 (CNA)—A Kuomintang [KMT] ad hoc committee Wednesday proposed permitting the central and local legislators to visit the Chinese Communist-controlled mainland.

The legislators, however, must not visit the mainland in groups, according to the three-point proposal endorsed by the party's mainland affairs guiding group.

Neither should they do anything to damage the interests and safety of the Republic of China nor violate current national policy.

The proposal must be approved by KMT Chairman Li Teng-hui before it is submitted to the government.

### **DPP To Discuss Attending July Conference**

*OW0504083090 Taipei CNA in English 1606 GMT  
4 Apr 90*

[Text] Taipei, April 4 (CNA)—The major opposition Democratic Progressive Party [DPP], unsatisfied with the men selected by President Li Teng-hui to serve on the National Affairs Conference Organizing Committee, said Wednesday that it would discuss whether or not it would attend the conference Monday.

The DPP had proposed that Chang Chun-hung, Yao Chia-wen, Chen Yung-hsing, and Wu Nai-jen be selected as committee members. Yao and Wu were not included in the list and, instead, party Chairman Huang Hsin-chieh and former Legislator Kang Ning-hsiang had been selected.

DPP Legislator Yeh Chu-lan in the meantime demanded that DPP Chairman Huang Hsin-chieh resign for behavior "incommensurate with an opposition party leader" while meeting President Li.

Tsiang Yien-si, convener of the Organizing Committee, said the first committee meeting would be held on April 14 at the Taipei Guest House.

Chiu Chin-yi, deputy secretary general of the Organizing Committee, said between 100 and 120 people will be invited to attend the conference.

The Organizing Committee will decide the namelist of the participants, Chiu said. Be they from the ruling or opposition parties, opinions of all participants will be equally respected, he noted.

### **Foreign Minister Denies Dissident Requested Visa**

*OW0504090390 Taipei CNA in English 1614 GMT  
4 Apr 90*

[Text] Taipei, April 4 (CNA)—The Ministry of Foreign Affairs has not yet received any application for an entry

visa by Peng Ming-ming, former chairman of the Formosan Association for Public Affairs (FAPA), a ministry official said Wednesday.

"If Peng did apply for an entry visa, his application would be processed according to normal procedures," the official who requested anonymity said.

Foreign Minister Lien Chan also offered a similar explanation in reply to inquiries at the Legislative Yuan.

It was reported that Peng, a self-exiled dissident leader in the United States, planned to speak at a FAPA-sponsored meeting in Taiwan at the end of July.

The official noted that a majority of dissident leaders living abroad had already been allowed to enter Taiwan.

### **Per Capita Income Rises to 25th Worldwide**

*OW2503191590 Taipei CNA in English 1533 GMT  
25 Mar 90*

[Text] Taipei, March 25 (CNA)—As a result of rapid economic progress, the Republic of China's per capita income advanced to the 25th place in the world with 6,333 U.S. dollars in 1988, the Council for Economic Planning and Development said Sunday.

Citing the latest statistics, the council said that during the 1980-1988 period, the economic growth in Taiwan averaged 8.3 percent, the world's fourth highest.

In 1988, the nation's gross national product (GNP) totaled 125.3 billion U.S. dollars, advancing to 19th from 25th place in 1985.

There were at least 50 countries and areas whose annual per capita income was below 500 U.S. dollars in 1988. The Chinese mainland ranked [word indistinct] in the world with 330 U.S. dollars, according to OECD statistics.

Switzerland led the list in income for countries in 1988 with [word indistinct] U.S. dollars followed by Japan with 21,000 U.S. dollars, Norway 20,000 U.S. dollars, the United States 19,700 U.S. dollars and Sweden 19,100 U.S. dollars.



### UK Passport Scheme Summarized

HK0504040490 Hong Kong HONGKONG STANDARD  
in English 5 Apr 90 p 1

[by Paul Harrington]

[Text] The long-awaited British nationality package will grant passports to 50,000 key people—most from the private sector—under four main headings.

The passports will be issued in two batches, with the second—about 13 per cent of the total—held until nearer 1997.

The four categories are:

- The General Allocation Section for 36,200 people.
- The Key Entrepreneurs Section for 500 top business-people.
- The Disciplined Service Section for 7,000 disciplined services personnel including the garrison.
- The Sensitive Service Section for 6,300 people in sensitive jobs.

There is no separate category for civil servants but many senior officials will be able to apply under the last category.

The scheme is weighted heavily in favour of 30 to 40-year-olds, who will automatically receive 200 points out of a possible total of 800 under the proposed points system.

Businessmen, managers and administrators will account for more than 20,000 of the available places.

Hong Kong British dependent territories (BDTC) passport holders, British nationals overseas (BNO) and certificate of identification holders will be able to apply.

Nationals of third countries (excluding China) will have 200 points deducted. A similar deduction will be made for those over 60.

The first batch of around 43,500 passports, will be issued as soon as possible. This could be as soon as the end of the year if the necessary legislation is passed in the UK.

There was no indication last night about how much it would cost to apply.

The Nationality Bill and the accompanying scheme make no commitment to the full number of passports, referring to "up to 50,000".

A small team of officials from the UK will be established in Hong Kong to consider the recommendations of the Governor, who will be assisted by a steering group chaired by the Chief Secretary.

Director of Administration Donald Tsang said it was no secret that the Government would have preferred more passports.

But faced with the limitations the Government had two objectives: securing maximum stability and allocating passports fairly.

Disappointed will be ex-prisoners of war, war widows and ethnic minorities, who are not mentioned in the scheme.

Though the points table goes up to a maximum of 800, there is no fixed total which will ensure acceptance.

And the Governor or Secretary of State can withhold passports to those eligible but deemed "not of good character". No reasons need to be given and there are no appeal provisions.

The points system scores up to 150 for experience—10 points for every working year up to a maximum of 15. For businessmen this category also takes into account earnings and value to Hong Kong.

The 150 points scored for education/training includes a maximum of 50 for general education, 50 for basic professional/vocational qualifications and 50 for further training.

One hundred and fifty "special circumstances points" can be scored for special qualities and to split those running neck-and-neck.

Up to 50 points can increase the weighting for professional qualifications where they are especially necessary.

A further 50 will be scored for professions especially prone to emigration.

Another 50 "recognise exceptional merit".

Proficiency in English would confer up to 50 points. Another 50 would be available for British links. Fifty will also be scored for community service.

The 50,000 figure is broken down into four groups.

A "general allocation" group of businessmen and professionals will account for 36,200 passports.

Members of the disciplined services will receive 7,000 passports and 6,300 will go to those in so-called sensitive services "exposed to special considerations and special factors".

A further 500 places will be available to "key entrepreneurs".

The general allocation section will account for 70 percent of the passports, or 32,300 of the first batch. These will include:

- 61 percent (19,703) for business professionals, managers and administrators.
- 10 percent (3,230) for engineers and other professionals.
- 9 percent (2,907) for teaching professionals.
- 8 percent (2,586) for medical and science professionals.

- 6 percent (1,938) for "information science professionals" including computer programmers and journalists.
- 5 percent (1,615) for accountants and auditors.
- 1 percent (323) for legal professionals.

### Editorial on Basic Law, Future Prospects

HK0504030290 Hong Kong HONGKONG STANDARD in English 5 Apr 90 p 10

[Editorial: "Chapter Closed But Not the Book"]

[Text] After years of construction work, the edifice known as the Basic Law is free at last of its latticework of scaffolding. And we can all study the finished product.

There are those among us who have, in recent months, felt as though they were approaching the climax of a bitter, fratricidal conflict over the future prospects and character of this territory.

Some will not greet the unveiled Basic Law with a shrug and a sigh; others with a deep concern and commitment to make the most of this definitive roadmap to our future. We have all had plenty of time to digest its salient points, because there have been no changes to the final draft.

It is possible to envisage a scenario in which one of the Basic Law drafters encounters a young Hong Kong mother. "What have you done during the drafting process," she asks him, "that will make it possible for my baby to look ahead to a full and happy life?" Unfortunately, however, the only possible answer to such questions may be to point out that one must be an exceptional prophet to foretell the future of a country like China, where the rules of logic are often overturned by emotionalism, personal bitterness and ideological ferment.

It is the custom of diplomacy to try to disguise the full truth of certain situations. But no amount of diplomacy can disguise the fact that Hong Kong has very little leverage over its giant neighbour. We have to accept that there are certain neuralgic issues for Beijing and that no Chinese official can let himself be put in a position where it might appear that he is being dictated to on a matter of Chinese policy.

The questions raised by the Basic Law address an immense tangle of risks and opportunities. Some Hong Kong people fear that the document has been tailored to Beijing's interests; others still believe that the best hope for moderating China's policy is to demonstrate that compromise is in its interest. Both the optimists and the Jeremiahs bear old and deep wounds.

For their part, meanwhile, some delegates to the National People's Congress have criticised the draft Basic Law as giving too much power to the territory. Other deputies want to know why China has to pay for the stationing of troops in Hong Kong while the territory has no obligations to pay taxes to the state. However, the

majority of NPC deputies do not think the powers granted to Hong Kong are excessive.

It is also understood that some deputies fail to understand that recovering sovereignty over Hong Kong is a political issue and not an economic one.

Such misunderstandings help to explain why the road to the Basic Law has been a long and tortuous one.

The journey began in late 1982 when British Prime Minister Margaret Thatcher visited Beijing to discuss the Hong Kong question. Developments since then can be divided into four stages: first, secret Sino-British talks on the Hong Kong question, resulting in the signing of the Joint Declaration between 1982 and 1984; second, the first part of the transition, with the drafting of the Basic Law to reflect provisions of the Hong Kong pact in the Basic Law; third, the next part of the transition during which Hong Kong's developments would be overshadowed by the Basic Law; and fourth, the enactment and promulgation of the Basic Law by the National People's Congress.

The Basic Law, for better or worse, will be in place in 1997. The people of Hong Kong will continue to strive for a better deal—and it is to be hoped that with goodwill on both sides, and strong emphatic leadership from our Government, there will yet be room for manoeuvre on the future laws to govern the Special Administrative Region of Hong Kong.

As China tries desperately to kick-start its sick economy, its southern coastal economic zones become increasingly important. Beijing applied a new policy to special economic zones last year by which 20 percent of foreign currency earnings from re-export of inland-made finished products and raw materials must be paid to the central government in return for yuan at the official exchange rate.

Along with this recognition of the importance of these zones, it will be clear to those in Beijing that Hong Kong is an integral part of China's economic survival (whether they like it or not).

These facts must be all too clear to China. They will not risk their own well-being for the sake of doctrine, will they?

### Editorial Criticizes PRC on Nationality Issue

HK2603021990 Hong Kong SOUTH CHINA MORNING POST in English 26 Mar 90 p 26

[Editorial: "Sniping Comments Are No Help To Hong Kong"]

[Text] The Chinese Government is continuing its crude campaign to destroy the nationality legislation to help Hong Kong people proposed by the British Government. In the latest of a series of comments designed to undermine the passports package that will be unveiled in detail next month, Mr Li Hou, Deputy Director of the Hong

Kong and Macao Affairs Office, maintained the negative mood that has characterised Beijing's attitudes towards the territory since June 4.

Mr Li not only warned that holders of passports obtained under the scheme would not be entitled to British consular protection while in Hong Kong or China after 1997, he also said they would not be able to use them as travel documents for entering or leaving Hong Kong after the transfer of sovereignty. People using such passports would still be regarded as Chinese nationals, and would require a document issued by the Special Administrative Region.

His principal objection appears to be that those obtaining passports under the proposed scheme are somehow cheating by not spending the appropriate amount of time acquiring residential rights in Britain. The Hong Kong Government has been seeking to reassure the Chinese authorities that their suspicions of a British plot to retain influence over Hong Kong after 1997 are unfounded, but there is evidence every day that paranoia rules in Beijing.

The whole concept of the passports plan is to encourage key personnel and their families to stay in Hong Kong, rather than join the growing numbers who are emigrating—estimated as being equivalent to losing three jumbo

jets full of people each week. Repeated sniping by senior Chinese officials will only encourage those granted British passports under the deal to take up their option to go, which would defeat the object and aggravate the drain of talent.

China keeps saying it is concerned to restore confidence in Hong Kong so that business activity will regain its pre-June buoyancy, yet it shows no willingness to help by telling its officials to refrain from making unhelpful comments. Mr Li's passport warning follows a similarly threat to senior civil servants about their career prospects if they were unwise enough to accept a British passport under the forthcoming scheme. Britain should be telling China that refusal to recognise consular rights for its passport holders after 1997 would be in breach of international agreement—a criticism Beijing is fond of making of other countries.

If Britain were to scrap its passport package because of China's opposition, it would only escalate the "brain drain," because other countries would be quick to cash in on Hong Kong's loss with offers which would require the recipient and his family to leave the territory. That would also be China's loss, a cost which should be reckoned up in Beijing if it is sincere about wishing to preserve Hong Kong's prosperity after 1997.



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